



Delivering
extraordinary
energy solutions
so the world can thrive



20
24 | Sustainability
Report





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Pembina's Land Acknowledgement

Pembina acknowledges our traditional hosts and thanks them for their graciousness in welcoming us to carry out work on their traditional territories.

Pembina plays a role in the Economic Reconciliation with Indigenous Peoples, and their respective communities, where Pembina operations take place. We acknowledge the collective responsibility we all have to these lands and to the future generations who will be stewards of them. Pembina recognizes and respects:

- The spirit and intent of the United Nations Declaration on the Rights of Indigenous Peoples, within the context of the Canadian Constitution and existing Canadian laws;
- The United Nations Declaration on the Rights of Indigenous Peoples as a framework for reconciliation; and
- That all Canadians, including private industry and government, must play a role in advancing the Truth and Reconciliation Commission of Canada's Calls to Action.

Indigenous Peoples are the traditional stewards of the lands and waters where each of us work and choose to live. We further acknowledge that the Indigenous Peoples have inhabited these lands and waters since time immemorial. The Indigenous Peoples' territory, culture, truths, traditions, teachings, and languages are sacred, and we are honoured to work and live here.

We acknowledge the original inhabitants of this place, who have hunted, fished, gathered, and taken care of these lands. We respect their right to self-determination and we honour their sacred spiritual connection with the land and water.



Message from the Board Chair & CEO

On behalf of Pembina, we are pleased to share our 2024 Sustainability Report. This report highlights our continued progress in environmental, social, and governance (“ESG”) efforts, demonstrating our commitment to making positive, lasting impacts on the environment, our people, and the communities we serve.

Our Commitment to a Sustainable Future

At Pembina, we firmly believe that our ESG goals must be aligned to our business objectives. We recognize the critical role we play in transporting, storing, and managing the energy resources that power economies and sustain communities across the globe. We also understand that our long-term success relies on our ability to operate safely, to minimize our environmental impact, and to support the well-being of our employees and communities. By prioritizing these goals and staying true to our values to be safe, trustworthy, respectful, collaborative, and entrepreneurial, we create lasting value for all our stakeholders.

We’re proud of the progress we’ve made in 2024, which you’ll read about in detail in the pages that follow, but here are a few key highlights:

- **Safety & Operational Excellence:** We reduced significant incidents by 9% and total recordable incidents by nearly 11%, which reflects our constant focus on the safety and well-being of our employees and contractors. Additionally, this year we completed the design of an updated Operational Excellence Management System (“OEMS”), which reinforces our consistent approach to how we operate and continuously improve across the organization. Our commitment to Operational Excellence means

prioritizing the health and safety of our workforce and communities, safeguarding our assets and the environment, and maintaining high standards across all areas of our operations.

- **Emissions Reduction:** We reduced our emissions intensity by 4%, bringing us closer to our 2030 goal to reduce our emissions by 30% relative to a 2019 baseline (“30 by 30”). Our emissions reduction strategy includes the development of a comprehensive 30 by 30 roadmap, completed in 2024, which will guide our decisions and drive continuous improvements while creating long-term value.
- **Workplace Inclusion:** Employee engagement remains strong, with 89% of our team participating in our 2024 engagement survey. Survey results revealed improvements in engagement, employee experience and positive increases across nearly all key drivers. The feedback highlights employees' pride in their work and their connection to the company's success.

This sense of connection and collaboration extends beyond our internal efforts to our major projects, such as Cedar LNG. While we continue to build an inclusive and supportive workplace, we are equally committed to fostering meaningful partnerships with communities.

Cedar LNG: A Historic Milestone

One of the most groundbreaking achievements of 2024 was the positive Final Investment Decision for Cedar LNG, the world’s first Indigenous majority-owned LNG facility. This project, developed in partnership with the Haisla Nation, is a first for Indigenous communities, Canada, and the LNG industry. Setting a new standard for resource development, Cedar LNG will be powered by renewable electricity, making it one the

lowest-emitting LNG facilities globally, while creating long-term economic opportunities for the Haisla Nation, neighboring Indigenous communities, and the region.


Looking Ahead

As we reflect on the achievements of 2024, we are energized and optimistic about the road ahead. We remain deeply committed to meeting the world’s growing energy needs while supporting the transition to a cleaner, more sustainable future and maintaining competitive returns for investors. Our progress this year has set a strong foundation for continued growth, innovation, and sustainability.

We extend our sincere thanks to our Board, employees, customers, communities, and shareholders for your continued trust and support. Together, we will lead by example, driving positive change for all our stakeholders, and building a stronger energy future for all.



Henry Sykes
Board Chair



Scott Burrows
President and CEO



At Pembina, we firmly believe that our ESG goals must be aligned to our business objectives. We recognize the critical role we play in transporting, storing, and managing the energy resources that power economies and sustain communities across the globe.

Cedar LNG

Celebrating our Past, Present and Future

On June 25, 2024, members of the Haisla Nation, project partners, and other guests gathered as Cedar LNG made history by declaring a positive Final Investment Decision.

Guests included government officials, industry partners, and supporters who came from near and far to celebrate a first for Indigenous communities, a first for Canada, and a first for the LNG industry.

Most importantly, Haisla Nation Hereditary Chiefs, Elders, and community members bore witness to history being made in Haisla Nation territory, paving a path to economic prosperity and self-determination.

Construction Commences

Construction commenced in early July 2024 with a focus on site preparation and clearing work on the marine terminal area to prepare for a full construction season in 2025. In addition to site clearing work, important environmental management measures have been implemented on site, including sediment and erosion control measures.

The marine terminal site and pipeline construction is anticipated to commence in Q2 2025, with peak construction expected in 2026. The development of the innovative floating LNG facility is underway overseas with the project's in-service date expected in late 2028.

Environmental Assessment Update

Since Cedar LNG received its environmental approvals in 2023, the project team has been focused on developing detailed engineering and construction plans.

As part of this work, refinements have been identified to optimize the design from a technical and cost perspective, while ensuring the project minimizes effects to the environment. The proposed amendments include:



Working alongside the Haisla Nation, we've seen a dream that began over a decade ago become a reality. The journey to bring Cedar LNG to life has been incredible - shaped by the Haisla's determination, resilience, and a shared belief in what we can achieve when Indigenous communities and industry come together as true partners.

Guided by our shared values and a deep respect for the environment, we're showing that it's possible to develop energy responsibly and sustainably. For Pembina, being the Haisla Nation's chosen partner is a source of pride, and it carries a heavy sense of responsibility.

We're committed to making sure Cedar LNG is a success, just as the Haisla envisioned it from the start. This isn't just about completing a project – it's about building something that will benefit generations to come.



Janet Loduca
Senior Vice President, External Affairs
and Chief Legal and Sustainability Officer

- An alternate transmission line route, which will avoid impacts on mature trees, marbled murrelet habitat and wetlands.
- Construction of a distribution powerline not previously included in environmental approvals.
- An increase in the marine terminal area due to the change in our mooring system.

We received approval from the British Columbia Environmental Assessment Office on the amendment and the federal process to review this amendment is underway.

At the same time, as part of a design review, we are looking at ways of reducing the overall terrestrial footprint of the Marine Terminal.

Working Together for the Life of the Project

As always, community involvement is an integral part of our commitment to delivering a project that is aligned with our shared values. Cedar LNG is committed to forging positive and meaningful relationships with the Haisla Nation and surrounding communities for the life of the project. This includes hosting meetings and open houses, sponsoring local initiatives and attending community events. The Cedar LNG team enjoyed a full few days in December and March meeting with the community and sharing updates about the project, including our employment and training plans and proposed amendments to our regulatory approvals. Our ongoing engagement with the Haisla Nation and surrounding communities supports transparent communication as the project progresses, and deepens our relationships.

In 2025, the Cedar LNG team will be focused on sharing information about employment and training opportunities during construction and operations, as well as updates about project progress.

Reading This Report

- This report has been developed using guidance from leading sustainability reporting standards, including the Sustainability Accounting Standards Board (“SASB”) and with reference to the Global Reporting Initiative (“GRI”). Where applicable, we have also referenced the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”) as we work to align our reporting to this framework.
- This report covers performance for the period from January 1, 2024 to December 31, 2024. Quantitative data from 2019, 2022 and 2023 have been included to provide context where applicable.
- Unless otherwise stated, financial data are reported in Canadian dollars. For more information on Pembina’s financial performance, please refer to Pembina’s Audited Consolidated Financial Statements and Management’s Discussion and Analysis for the year ended December 31, 2024 and for the three months ended March 31, 2025, as well as our most recent Annual Information Form (“AIF”). Each of these documents can be found on our website (www.pembina.com), on SEDAR+ (www.sedarplus.ca) and on EDGAR (www.sec.gov).
- The terms “Pembina,” “our,” “we,” “organization,” and “the company” refer to Pembina Pipeline Corporation and our subsidiaries and affiliated entities taken as a whole.
- Throughout this report we have used the term “stakeholder” to refer collectively to the individuals and groups who have an interest in, or may be affected by, the work we do. We recognize that Indigenous and Tribal People in Canada and the United States have distinct rights, title and connection to the land, as affirmed in our Indigenous and Tribal Relations Policy.
- The terms “sustainability” and “ESG” are used interchangeably in this report. Generally speaking, “sustainability” refers to a focus on outcomes and “ESG” refers to a focus on the measurement of performance.
- Pembina has calculated our greenhouse gas (“GHG”) emissions in accordance with the requirements of the World Resource Institute/ World Business Council for Sustainability Development Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition (the “GHG Protocol”).
- Unless otherwise noted, this report covers the performance of Pembina Pipeline Corporation and includes our subsidiaries and joint ventures operated by Pembina.
- As part of our commitment to continually improve our reporting, we have obtained independent third-party limited assurance of select 2024 environmental metrics. These select metrics include total scope 1 GHG emissions, total scope 2 GHG emissions, physical throughput and GHG emissions intensity. Additionally, we have restated our 2019 baseline due to a material increase in emissions related to the Alliance/Aux Sable Acquisition. We have obtained independent third-party limited assurance of our 2019 restated baseline, including scope 1 and 2 emissions, physical throughput and GHG intensity. The third-party limited assurance statement is available [here](#).
- This report contains forward-looking statements that are based on management’s current expectations, estimates, projections, and assumptions in light of our experience and perception of historic trends. This information is provided to assist readers in understanding the company’s future and expectations and may not be appropriate for other purposes. Please see Forward-looking Statements on pages 90-91 for more information.
- In this report, we also use certain financial measures and ratios that are not defined by generally accepted accounting principles (“GAAP”). Please see Non-GAAP and Other Financial Measures on pages 92-93 for more information about these measures and why they are used.

Significant Transactions

- In December 2023, Pembina entered into an agreement to acquire interests in the Alliance, Aux Sable and NRGreen joint ventures and in the related operatorship contracts (collectively, “the Alliance/Aux Sable Acquisition”). As of April 1, 2024, Pembina holds 100% of the equity interests in Alliance, Aux Sable’s Canadian operations and NRGreen, as well as approximately 85.4% of Aux Sable’s U.S. operations. On August 1, 2024, Pembina acquired the remaining interest in Aux Sable’s U.S. operations. With the closing of the Alliance/Aux Sable Acquisition, Pembina assumed operatorship of the Alliance, Aux Sable and NRGreen businesses and we have reflected this acquisition in our 2024 ESG performance metrics.



Sustainability at Pembina

2024 ESG Highlights



Health & Safety

Held second annual
Contractor Safety Summit
to listen, learn and understand our contractors’ safety experiences at Pembina

Reduction in our PSIF¹ rate
by 30%
compared to 2023

Conducted over
29,000
leadership engagements

Submitted over
24,000
positive safety recognitions

Conducted
20 safety culture workshops
to align expected behaviours and actions for how work gets done across the business

¹ Potential serious injuries or fatalities.
² Our GHG emissions intensity reduction target is to reduce scope 1 and 2 GHG emissions intensity 30% by 2030, relative to a 2019 baseline. Pembina’s 30 by 30 target is based on an operational control approach to define our organizational boundaries for GHG reporting and includes all material scope 1 and 2 emissions sources associated with Pembina operated facilities and pipelines, as well as corporate activities.
³ Equity, diversity and inclusion



Energy Transition & Climate

Advanced our asset decarbonization strategy in support of our 30 by 30 target² including
reducing scope 2 emissions by 9%

Completed a company-wide
Marginal Abatement Cost Curve
for decarbonization projects and technologies

Announced a
positive final investment decision
for the Cedar LNG project

Developed a
30 by 30² roadmap
to understand potential GHG reduction opportunities and costs



Employee Well-Being & Culture

40%
women in executive leadership

Integrated leadership development and EDI³, creating the newly formed
Culture Inclusion and Leadership area

Delivered
Men’s Mental Health Network
sessions across our operations to raise awareness and de-stigmatize mental health in the workplace

Received feedback from
89%
of employees, including over 1,400 personalized comments as part of our employee engagement survey

Engaged over
500 employees
in Inclusion Networks across the business



Indigenous & Community Engagement

Supported nearly

400

organizations

in our operating areas

Employees volunteered more than

5,600

hours

Increased operations and maintenance spend with Indigenous vendors by

50%

Cultural awareness training provided to the Board

Made a multi-year commitment of over

\$5 million

to three transformative community partnerships



Responsible Asset Management

Inspected over

6,400 km

of pipelines with advanced in-line technologies

Conducted

five technical incident response simulations

involving stakeholders across the business

Completed over

2,700 facility equipment inspections

and repairs, including 16 facility turnarounds

Conducted

149

emergency response training and exercise events

Engaged

100,000 external stakeholders

in proximity to our pipelines, educating them on our damage prevention program and promoting pipeline safety



Governance

Designed our enhanced

Operational Excellence Management System

to govern our key sustainability related topics

Aligned

55%

of our independent Board members are diverse⁴

Aligned

30%

of our employees' short-term compensation goals to environmental and workforce metrics

Refreshed our scenario analysis

to ensure continued resilience of our corporate strategy

⁴ An individual is considered diverse if the individual belongs to one of the four designated groups in the Employment Equity Act (Canada): Indigenous Peoples, persons with disabilities, members of visible minorities and women.

About Pembina

Pembina is a leading energy transportation and midstream service provider that has served North America’s energy industry for more than 70 years.

Pembina owns an extensive network of strategically-located assets, including hydrocarbon liquids and natural gas pipelines, gas gathering and processing facilities, oil and natural gas liquids (“NGL”) infrastructure and logistics services, and an export terminals business. Through our integrated value chain, we seek to provide safe and reliable energy solutions that connect producers and consumers across the world, support a more sustainable future and benefit our customers, investors, employees and communities. For more information, please visit pembina.com.



Our Purpose

Our purpose reflects the breadth and diversity of our operations and future aspirations:

We deliver **extraordinary energy solutions** so the **world can thrive.**

Our Values

Pembina cares not only about results, but also how those results are achieved.

To that end, we have codified our values that represent the behaviours Pembina’s people strive to exhibit every day.

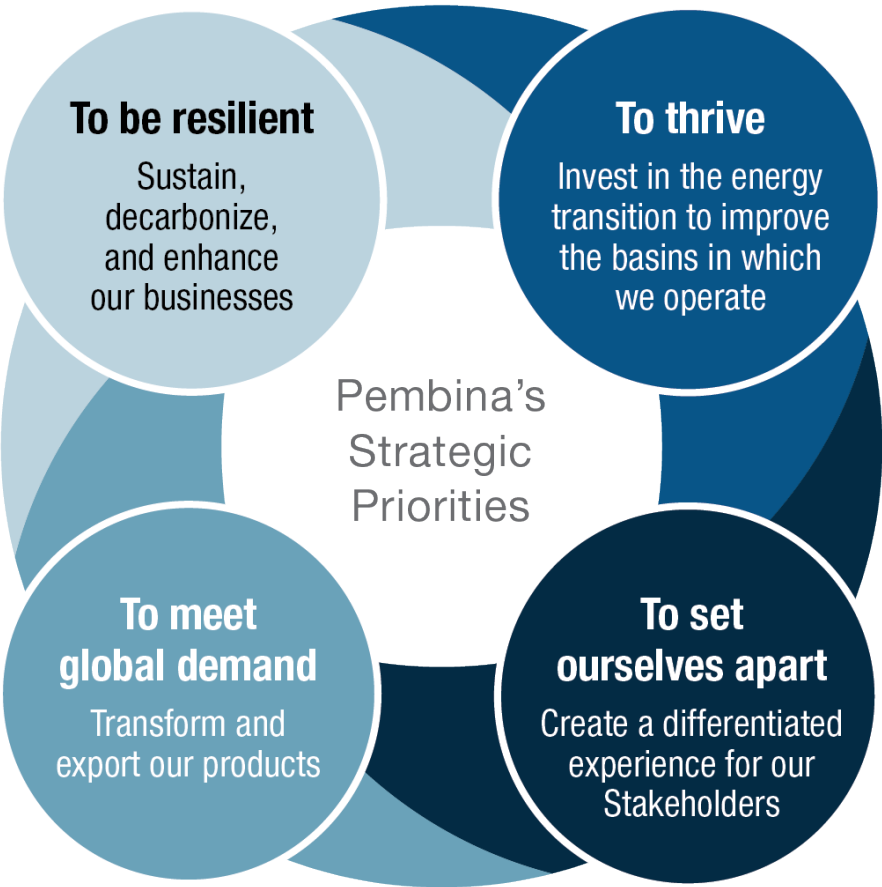
Our vision is to be a best-in-class operator as measured through our balanced scorecard of safety, reliability, environmental performance, employee engagement and profitability. This journey involves the entire organization and seeing our values in action is pivotal to our future success.



Our Strategic Priorities

Pembina will build on our strengths by continuing to invest in and grow our core businesses that provide critical transportation and midstream services to help ensure reliable and secure energy supply. We will also capitalize on exciting opportunities to leverage our assets and expertise into new service offerings that enable the transition to a lower-carbon economy.

In continuing to meet global energy demand and our customers' needs, while ensuring Pembina's long-term success and resilience, the company has established four strategic priorities:



To be resilient, we will sustain, decarbonize, and enhance our businesses. We will focus on strengthening and growing our existing franchise and demonstrating environmental leadership.

To thrive, we will invest in the energy transition to improve the basins in which we operate. We will prioritize lighter commodities as we continue to invest in new infrastructure and expand our portfolio to include new businesses associated with lower-carbon commodities.

To meet global demand, we will transform and export our products. We will continue our focus on supporting the transformation of Western Canadian Sedimentary Basin ("WCSB") commodities into higher margin products and enabling more coastal egress.

To set ourselves apart, we will create a differentiated experience for our stakeholders. We remain committed to delivering excellence for our four key stakeholder groups meaning that:

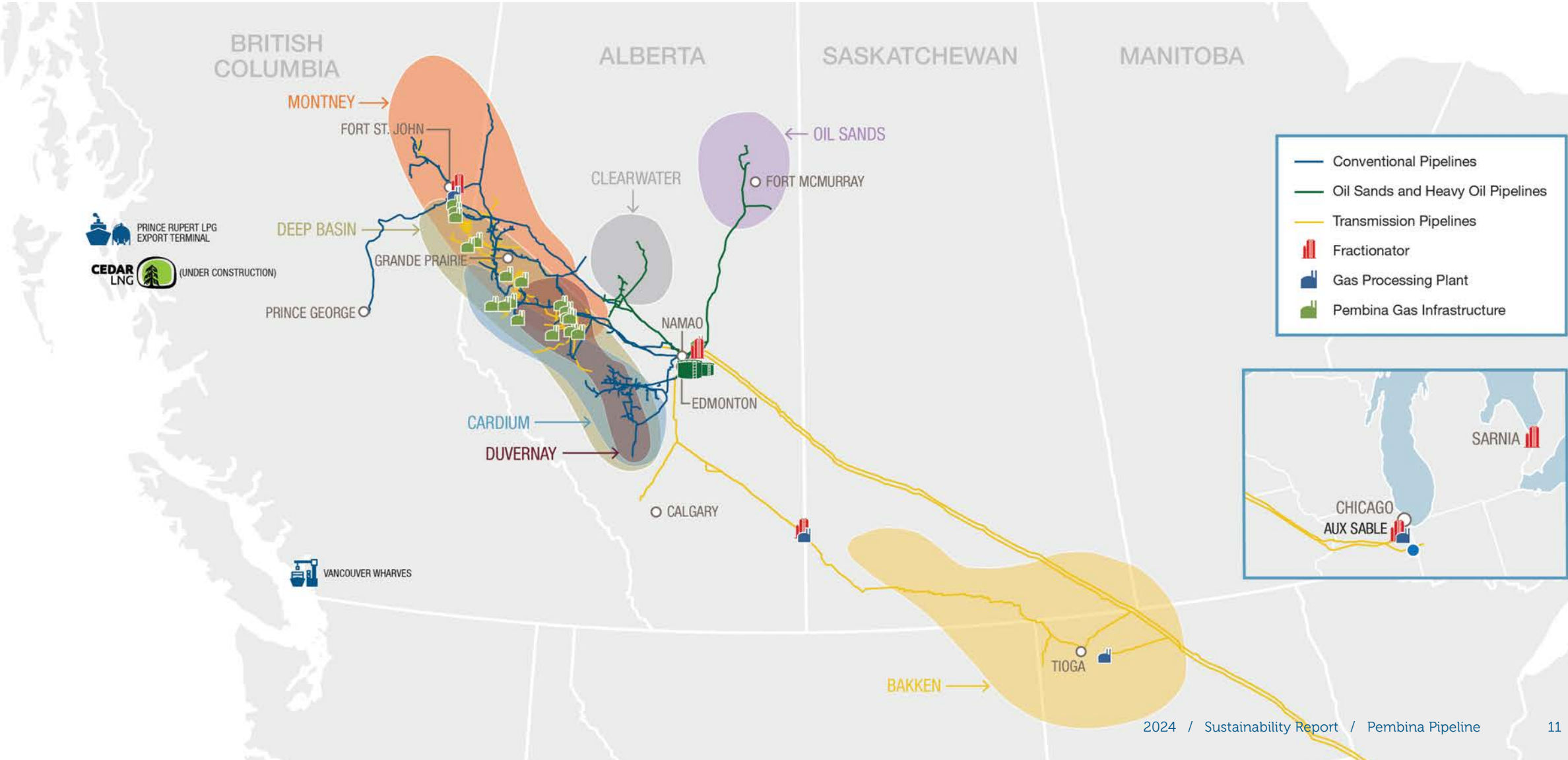
- > **Employees** say we are the 'employer of choice' and value our safe, respectful, collaborative, and inclusive work culture.
- > **Communities** welcome us and recognize the net positive impact of our social and environmental commitment.
- > **Customers** choose us first for reliable and value-added services.
- > **Investors** receive sustainable industry-leading total returns.

These four strategic priorities will ensure Pembina is stewarding to achieve financial excellence. We remain committed to maintaining our strong financial position and delivering industry-leading returns through adherence to our financial guardrails, prudent capital allocation, and a focus on return on invested capital.

Our Operations

Pembina’s operations are structured into three divisions:

- **Pipelines Division:** We own and operate a strategically-located pipeline transportation, terminalling, and storage network that serves various markets and basins across North America.
- **Facilities Division:** We own and operate natural gas processing and NGL fractionation facilities, export and storage terminals, and related infrastructure.
- **Marketing and New Ventures Division:** To support our customers’ overall business interests, we seek to create new markets and further enhance existing markets through the development of infrastructure.



Sustainability Focus Areas

To determine which sustainability-related areas are of highest priority to our business we have taken a deliberate and robust approach to identify our material focus areas⁵, using a third-party materiality assessment that included broad engagement with capital market participants and other stakeholders. Based on the results of this assessment, we have organized our report into six sustainability focus areas:



Governance

Strong governance is essential to support the achievement of our sustainability goals.



Energy Transition & Climate

Climate presents both opportunities and risks for our business. Through our corporate strategy and continued innovation, we can support the energy transition.



Employee Well-Being & Culture

We are great together – we aspire to create a culture that provides meaningful opportunities and attracts and retains diverse talent.



Health & Safety

Safe is a core Pembina value and we are committed to zero harm to our people, assets and environment.



Responsible Asset Management

We are committed to ensuring the reliability of our assets and protecting the environment.



Indigenous & Community Engagement

We recognize the important relationship that Indigenous Peoples have with the land and value our relationships with all the communities in which we operate.

⁵ The terms “material”, “materiality” and “materiality assessment” are used specifically in this report to identify the sustainability topics that we believe are important to our stakeholders. These definitions may not be the same as the meaning of “material” pursuant to applicable securities legislation.

Governance

Pembina’s commitment to **strong and effective governance is foundational to our thriving and resilient business**. Our approach to governance supports our ability to operate successfully, mitigate risk and enhance value for our customers, investors, employees and communities.



55%
of our independent Board members are diverse



Aligned
30%
of our employees’ short-term compensation goals to environmental and workforce metrics

Analyst Corner

2025 Management Information Circular - Governance
(pages 31-60)

2024 Annual Information Form - Corporate Governance
(pages 54-58)

Modern Slavery Report

CDP Climate Change Submission

Governance, Nominating and Corporate Social Responsibility Committee Charter

Additional information on our governance practices can be found in our *2025 Management Information Circular* and on the Governance page of our website.

Our Approach

The Board’s Role

Overseeing our sustainability strategy is a core responsibility of the Board. At its annual corporate strategy sessions and quarterly meetings, the Board regularly engages on ESG issues, including climate, through presentations by management and third-party experts.

As part of our annual corporate strategy review, the Board reviews an assessment of energy supply and demand fundamentals. The review includes trends, indicators, and forecasts related to both the global and North American energy markets to identify both risks and opportunities to our business over the short, medium and long-term. Additionally, the Board reviews updates to the company’s scenario analysis, which serves as an important input into our strategic planning process. The Board reviews and approves the corporate strategy to ensure we continue to invest in, grow and decarbonize the businesses in alignment with our targets and commitments while evaluating the required capital investment and rate of return on decarbonization projects.

On certain key sustainability topics, the Board has delegated regular oversight to specific Committees including:

Governance, Nominating and Corporate Social Responsibility Committee (the “Governance Committee”)	<ul style="list-style-type: none">› Responsible for Pembina’s corporate governance practices;› Oversees our ESG strategy, including climate and other material topics, and makes recommendations to the Board on the integration of ESG considerations into long-term business planning, organizational structure and corporate policies and practices;› Monitors, reviews and provides oversight of performance and reporting on ESG matters, including progress against Pembina’s emissions reduction targets;› Facilitates and provides education to the Board, including on ESG matters;› Reviews ESG matters on a quarterly-basis; and› Responsible for overseeing risks related to corporate governance, disclosure, corporate social responsibility (including ESG matters) and assists the Board in establishing appropriate risk oversight functions at the Board and Committee levels.
Safety, Environment and Operational Excellence Committee	<ul style="list-style-type: none">› Oversees the development, implementation and monitoring of risks, policies and procedures related to process safety and occupational health and safety, environment, operational excellence, asset integrity management, corporate security and cybersecurity.
Human Resources and Compensation Committee	<ul style="list-style-type: none">› Provides oversight over our approach to director compensation, employee wellness, employee compensation, executive performance and compensation, executive succession planning and corporate EDI;› Focuses on sustainability and climate by including ESG metrics in incentive plan design and compensation decisions for executives; and› Monitors and oversees progress against Pembina’s EDI strategy and diversity targets.
Audit Committee	<ul style="list-style-type: none">› Maintains oversight of the integrity of Pembina’s financial statements, the reporting process, the effectiveness of internal controls over financial reporting and the internal audit function.

Board Evaluation and Selection

As part of the Governance Committee’s responsibilities, the Committee recommends a process and criteria, and in conjunction with the Board Chair, conducts an annual self-assessment of the Board’s performance and also reviews the Board’s composition. When required, the Governance Committee also recommends new director nominees to the Board for appointment. In assessing the composition of the Board, the Committee considers a variety of factors including diversity, specific skills and experience required on the Board, such as climate-related expertise as part of sustainability and ESG experience, and tenure. The Board looks at director nominations dynamically, recognizing that the skills needed will change over time as the company and the industry evolve. The purpose is to ensure that the Board remains effective, experienced and well-balanced.

Additional information on our governance practices can be found in our Board charters, committee charters, Corporate Governance Guidelines and our Management Information Circular, each of which are on our website (www.pembina.com). Our Management Information Circular can also be found on SEDAR+ (www.sedarplus.ca) and on EDGAR (www.sec.gov).

Management’s Role

Management plays a critical role in advancing our sustainability objectives.

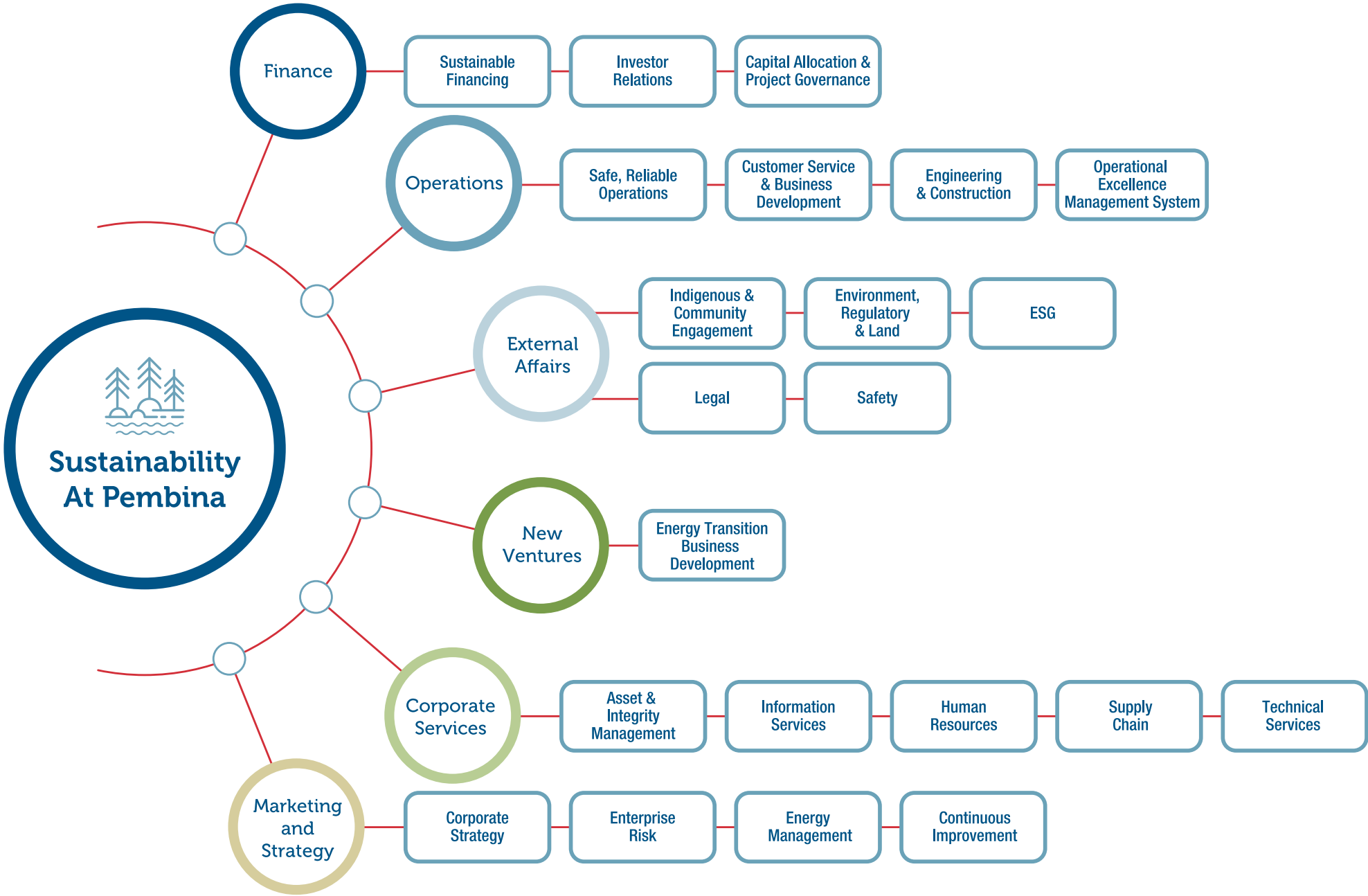
Each member of our senior executive team is responsible for components of sustainability, including employee and contractor safety, environment and process safety, assessing and managing climate-related risks and opportunities, overseeing the development of strategic opportunities, enhancing organizational culture and diversity of our employee base and reporting to the Board and/or one of its committees on ESG-related matters, including climate-related matters, on a quarterly basis.



President and Chief Executive Officer (CEO)	➤ Responsible for providing oversight and coordination of sustainability-related matters, including climate risks and opportunities, and for ensuring timely and effective reporting to the Board and our stakeholders.
Senior Vice President and Chief Financial Officer (CFO)	➤ Responsible for overall financial stewardship, including assessing climate-related risks and opportunities, financial reporting as well as providing timely, accurate and transparent information to our stakeholders.
Senior Vice President, External Affairs and Chief Legal and Sustainability Officer	➤ Responsible for overseeing our ESG strategy, including oversight and monitoring of sustainability issues, risks, trends, and our performance; ➤ Provides recommendations to the executive team and Board on sustainability matters; ➤ Monitors and reports progress on Pembina's emissions reduction targets; and ➤ Updates the Enterprise Risk Committee (“ERC”) regarding ESG strategy and risks.
Senior Vice President and Chief Operating Officer (COO)	➤ Responsible for safe and reliable operations, business development and commercial services, operationalizing our ESG objectives (including asset decarbonization) and supporting our various OEMS strategies and programs.
Senior Vice President and Corporate Development Officer	➤ Responsible for initiatives associated with extending our value chain and exploring new opportunities centered around a lower-carbon economy, including new ventures.
Senior Vice President and Corporate Services Officer	➤ Responsible for advancing Pembina’s ESG objectives by enhancing organizational culture and equity, diversity and sense of belonging of our employee base, strategic supply chain management and through support of our various OEMS strategies and programs.
Senior Vice President, Marketing and Strategy Officer	➤ Responsible for overseeing Pembina’s strategy development and execution, including the evaluation of enterprise risks and sustainability-related factors, energy management, carbon markets, as well as managing the enterprise transformation portfolio that contributes to our ESG performance.

Our organizational structure allows our management team to assess and manage ESG risks and opportunities, including those related to climate.

In addition to our formal organizational structure, there are a number of cross-functional committees, inclusion networks and teams across the organization that help manage risk, share learnings and collaborate on new opportunities to support our sustainability-related priorities.



Enterprise Risk Management

Our Enterprise Risk Management (“ERM”) program underpins the identification, measurement, prioritization and management of enterprise level risk across our company, including climate-related risks and opportunities, in alignment with our corporate strategy. Our ERM policy defines principles and specific expectations associated with our risk management activities and governance.

We consider several factors, both qualitative and quantitative, when defining a substantial financial or strategic impact on our business. Assessments of identified risks and opportunities include the evaluation of potential impacts on financial results, health, safety, environmental conditions, operating assets and reputation. It can also include external reports on macro considerations and associated risks we see in the market, political and business environments. The associated probabilities are also considered, and those with higher potential financial or strategic impact are prioritized accordingly for investigation, management, mitigation or implementation.

Once the ERC has identified a risk, an executive officer is assigned as risk owner based on associated oversight and portfolio responsibility. The ERC meets at least quarterly to review the performance, appropriateness and current business environment surrounding our risk management activities, with a more comprehensive review completed annually. As part of the review process, the identified risk is evaluated against our scenario planning to help assess the impact to our corporate strategy.

Management reports periodically to the Board about the risks that have been identified by our ERM program and at least once per year, presents to the Board a summary of the ERC’s review of risk identification, management and mitigation measure status. These include risks related to climate-related regulation, occupational safety and cybersecurity, among others. For more details on our ERM process, refer to our [2025 Management Information Circular](#).



Operational Excellence Management System

During 2024, Pembina completed the design of a refreshed OEMS, with implementation beginning in 2025. As a company we are committed to Operational Excellence, which means placing the highest value on the health and safety of our workforce, the protection of our assets and the environment. Pembina’s OEMS executes on this commitment by applying risk management, processes, procedures, and accountabilities to document a consistent approach to the way we operate.

The ERM program is aligned with our OEMS, an operational framework that governs sustainability-related topics including safety, security, emergency management, asset management and environment. The OEMS is a continuous improvement framework incorporating the Plan-Do-Check-Act Cycle supported by policies, programs, processes and procedures to guide planning, implementation, checking and corrective action. OEMS addresses operational risk through leadership, risk identification and assessment, expectations and responsibilities and continuous improvement.

Pembina’s OEMS provides:

- A tool that drives risk management, cyclical planning, implementation, review (assurance), and update of our operating activities and programs;
- A means for demonstrating compliance with certain regulatory requirements and for illustrating our alignment with applicable industry best practices; and
- A key vehicle through which operational excellence is delivered.

More information on the OEMS programs can be found in the Health & Safety and Responsible Asset Management sections of this report and in our [AIF](#).



Pembina's OEMS comprises programs that promote safety, reliability, efficiency, cost-effectiveness and continuous improvement. At its core are our values: safe, trustworthy, respectful, collaborative, and entrepreneurial. These values shape our behaviour and guide our strategic goals. Operational improvements and industry changes are assessed, prioritized and addressed through corrective and preventative actions using the Plan-Do-Check-Act Cycle. By leveraging our OEMS, we foster a culture of compliance, efficiency, effectiveness and continuous improvement, driving operational excellence.

Supply Chain Management

Having a robust and diverse supplier network is crucial for the resilience and sustainability of our supply chain and enriches the communities in which we operate. Pembina aims to work with suppliers, including contractors, who value safety, uphold the highest standards of ethics and integrity, and are economically, environmentally and socially responsible.

Our Supplier Code of Conduct ensures that our suppliers are well-informed about our values. It requires them to align with our dedication to ethical business practices, respect for human rights, and sustainability considerations.

Sustainability continues to be a priority that we emphasize with our supply base and monitor through our Supplier Performance Management (“SPM”) program. Key suppliers regularly provide Pembina with their annual sustainability reports. These reports help us better understand suppliers' initiatives and efforts to reach their sustainability goals.

Supplier and Contractor Evaluation

Our sourcing strategy goes beyond minimum standards by selecting suppliers that demonstrate strong corporate responsibility and sustainability. We prioritize suppliers who promote sustainable growth, minimize environmental impacts, ensure safety, and foster a committed workforce.

As part of our contractor and supplier qualification process, Pembina continues to use the services of ISNetworld (“ISN”) to assess and monitor supplier risk, including but not limited to supplier insurance verification and safety qualification evaluation.

Diversity In Our Supply Chain

As a company that operates mainly within Western Canada, we have prioritized enhancing opportunities for Indigenous communities, individuals, and businesses throughout our regional supply chain. We also look for opportunities to engage with certified women-owned businesses. Our Supply Chain team is dedicated to involving high-performing, qualified diverse suppliers in our procurement practices.

In 2024, we achieved \$127 million in diversity⁶ spend with 108 suppliers, surpassing last year's total diversity spend by \$6 million. This exceeded our target of \$101 million, reflecting our strong commitment to supplier diversity. Diversity confirmation is conducted with the support of Pembina's Indigenous Engagement team, and supplier diversity certificates are gathered and confirmed in ISN. We continue to observe positive trends with an increasing number of projects engaging Indigenous suppliers, and an overall increase in the number of suppliers contributing to this spend. For more details, see the Indigenous Engagement section of this report.

Effective Material Management

Pembina has implemented systems to review materials stock and requirements across the organization to maximize material usage, thereby minimizing obsolescence and waste wherever possible. Our primary objective is to seize opportunities to redeploy equipment, reduce waste and responsibly dispose of materials. We have established platforms to retain and share surplus-related information with existing suppliers to optimize opportunities. Moreover, we have broadened the scope of our surplus to include decommissioned equipment, aiming to provide equipment no longer needed at Pembina to other organizations.



Human Rights in the Supply Chain

In 2024, we published our first comprehensive Modern Slavery Report, demonstrating our commitment to addressing and combating modern slavery within our operations and supply chains. We prohibit all forms of modern slavery, including forced and child labour, across our business and supply chain. We have taken several steps to further enhance our supply chain human rights due diligence and risk management processes. Pembina has mapped modern slavery-related risks in our supply chains in respect of all active Tier 1 Suppliers. These suppliers were reviewed and assessed, with an emphasis on our spend and risk, using the Better Trade Tool maintained by the United States Department of Labor (Bureau of International Labor Affairs). This tool focused on high-risk regions to highlight any commodities with a high probability of employing modern slavery in the manufacturing process.

⁶ In 2024 Pembina's diversity spend included spending with Indigenous and women-owned businesses.

2024 Performance

Key 2024 governance highlights are as follows:

- > **Board independence:** All our directors, other than our CEO, are independent.
- > **Board attendance:** Our Board meeting attendance was 100%.
- > **Board gender diversity:** Our Board has a gender diversity target of at least 30% for independent Board members. As of December 31, 2024, 45% of our independent directors are women.
- > **Overall Board diversity:** Our Board has an overall diversity target of at least 40% of the independent directors being women, persons with disabilities, Indigenous Peoples and/or members of other racial, ethnic and/or visible minorities. As of December 31, 2024, 55% of our independent directors are diverse.
- > **Executive gender and diversity:** In 2024, we continued to exceed our Women in Executive target of 30% and Executive Diversity target of 40%. For more details, see the Employee Well-Being and Culture section of this report.
- > **ESG tied to compensation:** ESG performance continues to be part of our annual corporate short-term incentive compensation (“STIP”) for all eligible employees, including safety, GHG emissions and EDI performance. Achieving these metrics alongside other operational, financial and strategic goals impacts annual incentive compensation for all employees. The ESG specific performance categories and key measures for 2024 include:

STIP Weighting	Category	Key Measures
20%	Differentiated Stakeholder Experience	Safety & Environment Scorecard Employee Experience
10%	Environmental Leadership	Sanction and execution of GHG reduction initiatives Development of a 30x30 decarbonization roadmap

Linking compensation to our corporate performance on ESG factors, including our GHG emissions intensity reduction target, aligns with long-term value creation and our stakeholders' interests.

- > **ESG disclosure:** To increase our alignment with the TCFD we enhanced the content within our 2024 Sustainability Report to support transparency of our climate-related governance, strategy, risk management, metrics and targets.

- > **ESG technology:** We made significant investments in technologies that enhance our overall ESG disclosures. We launched our new GHG and air emissions platform in 2023, and 2024 was the first year it was leveraged for reporting. The platform incorporates operational data and calculates emissions from our operated assets, supporting more efficient reporting and providing real-time data and insights to support decarbonization opportunities across our business. Additionally, this platform will assist in accelerating our ESG reporting and improve our internal controls over our GHG emissions data. For more details, see the Energy Transition and Climate section of this report.
- > **ESG processes and controls:** We continue to enhance our ESG performance metrics process and controls documentation. Many of the metrics we report on in our ESG report have established processes for gathering, verifying and reporting this data already, some of which are required as part of our regulatory reporting. In 2024, we formalized and standardized the documentation surrounding the ESG metrics we report on today as the next step in progressing towards readiness for future mandatory reporting.
- > **Operational Excellence Management System framework redesign:** In 2024, Pembina successfully completed the redesign of our OEMS framework to enhance our ability to effectively manage risks and address regulatory compliance requirements. The refreshed OEMS reflects our ongoing commitment to operational excellence and continuous improvement, and plays an important role in linking our values and strategic priorities by providing an integrated, organized and structured approach to the health and safety of our workforce, the protection of our assets and the environment.

Looking Forward: 2025 & Beyond

Pembina remains committed to maintaining robust governance practices and will continue to leverage best practices to support our progress in this area.

We are closely monitoring the ESG regulatory landscape for developments that could impact our company, including climate-related disclosure proposals and regulations from the U.S. Securities and Exchange Commission, state-specific legislation, voluntary guidance from the Canadian Sustainability Standards Board and final disclosure requirements from the Canadian Securities Administrators. We continue to prepare for climate-related regulated financial disclosure.

We will continue to enhance our supplier qualification programs and collaborate with our key suppliers through the SPM program to ensure better alignment with our business objectives. Our efforts will also strengthen our supplier relationship management program, which supports our sustainability priorities. We are committed to working with key suppliers to ensure a robust and sustainable supply chain.

Energy Transition & Climate

We are **committed to building resilience and sustainability through responsible operation of our existing assets and investments in the energy transition.**

Our approach includes reducing operational emissions through technology and improved operating practices, increasing our use of renewable energy and advancing lower carbon investments, all while delivering secure and affordable energy.

As part of our approach, we continue to progress towards our GHG emissions intensity reduction target to reduce scope 1 and 2 GHG emissions intensity 30% by 2030, relative to a 2019 baseline (30 by 30).

Analyst Corner

- [2024 Annual Information Form - Risks Related to Climate Change \(page 103-105\)](#)
- [2024 Annual Report - Risks Related to Climate Change \(page 69-71\)](#)
- [CDP Climate Change Submission](#)
- [Website - Energy Transition & Climate](#)



Advanced our asset decarbonization strategy in support of our 30 by 30 target, including **reducing scope 2 emissions by 9%**



Developed a **30 by 30 roadmap** to understand potential GHG reduction opportunities and costs

Our Approach

We understand the importance of providing secure energy to drive economic growth and improve global standards of living, all while supporting the transition to a lower carbon economy.

Western Canada is fortunate to have abundant hydrocarbons, and with our customers and asset base, we have a unique opportunity to deliver responsibly produced energy to the world.

This section of the report follows the recommendations of the TCFD as we work to align our reporting to this framework.

Governance

Climate Governance & Compensation

ESG performance, including GHG emissions performance, continues to be part of our annual corporate STIP compensation for all eligible employees. For more details, see the Governance section of this report.



Capital Project Governance

Pembina follows the Project Delivery and Governance Lifecycle Framework, an established governance framework to guide capital project decisions. This framework supports project identification, evaluation and selection in alignment with our corporate strategy and key stakeholder interests. The framework ensures that capital investments are subject to a risk-based and standardized set of project planning and management review requirements, emphasizing health and safety, environmental protection, Indigenous and community engagement, regulatory compliance and consideration of our target to reduce GHG emissions. Major capital projects that qualify under this framework require executive team review and endorsement at regularly scheduled Investment Committee Meetings before approval is granted to proceed to the next stage of development.

For more details on climate governance, see the Governance section of this report.

Strategy

Scenario Analysis and Strategy Resilience

In 2022, as part of the work we completed to refresh our corporate strategy, we undertook robust scenario analysis using the International Energy Agency (“IEA”) future energy scenarios including the Stated Policies Scenario and the Announced Pledges Scenario to evaluate the potential implications of changes in the rate of decarbonization and energy demand, at both the regional and global scale. Our scenarios address

two distinct horizons to evaluate our strategy to ensure that it thrives through 2030 and allows us to look beyond to 2050. These scenarios enable us to think strategically about our business and ensure our strategy is resilient under a wide range of plausible decarbonization pathways, recognizing that none of the scenarios are forecasts or predictions. Our strategic priorities include a focus on environmental leadership to sustain, decarbonize, and enhance our business while investing in energy transition and transforming and exporting our products to global markets where demand is expected to increase. This strategy was approved by the Board and will enable Pembina to deliver value to our stakeholders well into the future.

In late 2024, we refreshed our scenario analysis based on the IEA World Energy Outlook 2024 and insights into North American and global energy supply and demand under these scenarios. We again considered the pace of decarbonization and global market integration. Global market integration considered the Canadian energy sector, and specifically the WCSB, in the context of global supply and demand projections for crude oil, NGLs and natural gas and the impact of climate policies in Canada and in various jurisdictions around the world. In updating our scenarios, we aligned our outlook with the updated IEA scenarios across crude oil and natural gas future energy projections.

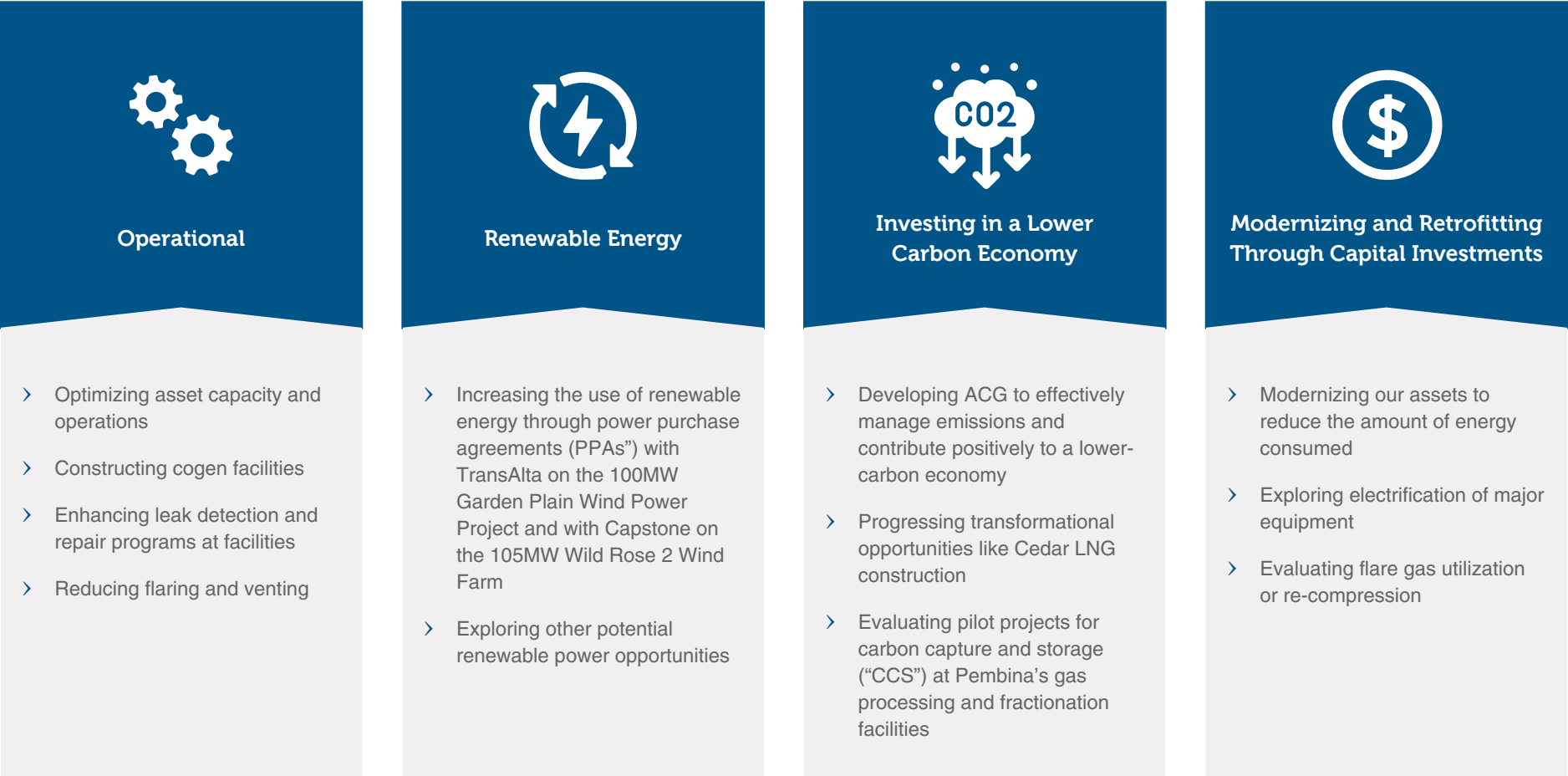
The result of our scenario analysis shows, our long-term corporate strategy remains resilient and we are committed to making our core business more resilient and developing energy transition and export projects.

Climate Strategy

Our climate strategy includes:

- > A target to reduce our GHG emissions intensity 30% by 2030⁷, relative to a 2019 baseline. The target helps guide business decisions that improve overall emissions intensity performance;
- > Decarbonization of our existing assets through operational efficiency, modernization, and asset optimization, as well as investing in abatement projects, including electrification, fugitive emissions management, and waste heat recovery;
- > Reducing scope 2 emissions through purchase of renewable electricity, evaluation of small scale on-site renewables and cogeneration (“cogen”) facilities;
- > Developing transformational opportunities like Cedar LNG, Alberta Carbon Grid (“ACG”) and Pembina Low Carbon Complex projects; and
- > Evaluating the potential role for quality carbon offsets as part of a credible decarbonization strategy.

Multiple potential pathways to achieve climate strategy

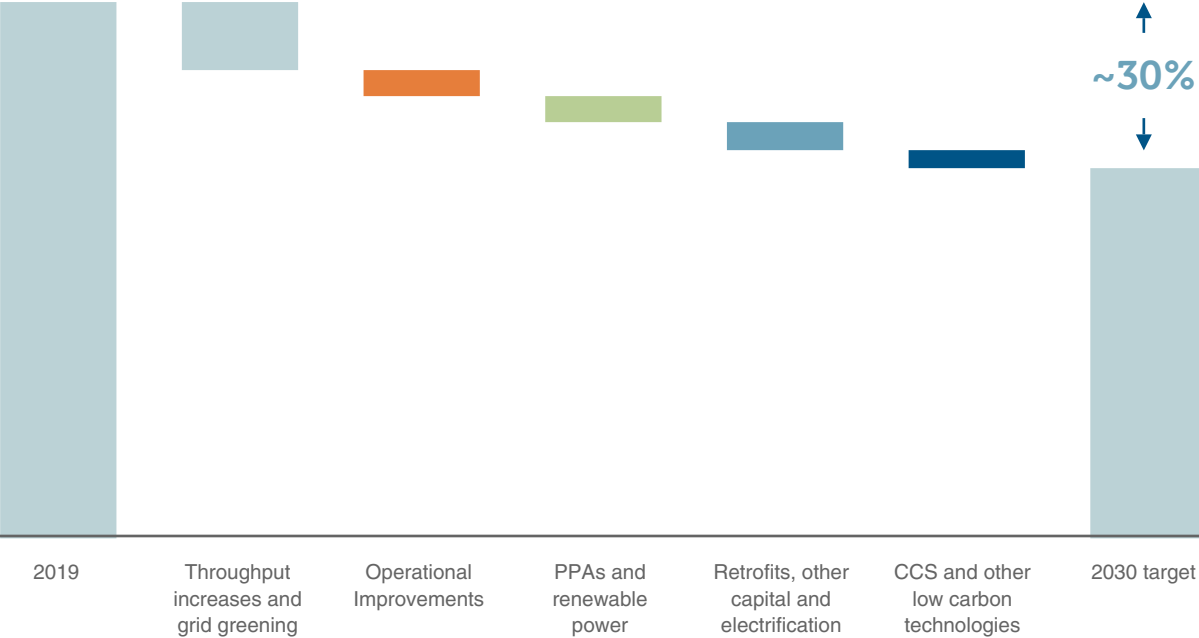


⁷ Pembina's 30 by 30 target is based on an operational control approach to define our organizational boundaries for GHG reporting and includes all material scope 1 and 2 emissions sources and sinks associated with Pembina operated facilities and pipelines, as well as corporate activities.

Our Roadmap to 2030

In 2024, we undertook a major initiative to develop a detailed 30 by 30 roadmap to understand potential GHG reduction opportunities and costs. We remain focused on advancing our current 2030 target, including decarbonizing both our operating assets and electricity supply, while also leveraging the benefits of grid greening and increasing utilization of our assets. The roadmap identifies the projects to be prioritized to meet our target and provides an estimate of the associated costs, including near term budget needs for project development and engineering. At the same time, we are exploring transformative decarbonization solutions across Pembina’s operations.

GHG Emissions Intensity
(kg/boe)



We are currently focused on execution of projects identified in our 30 by 30 roadmap, however we remain open to the potential for offsets to play a role in future decarbonization efforts, based on the evolution of risks and uncertainties related to technology, capital planning and policy/incentives.



Capital Planning

Pembina executes our strategy with a focus on capital excellence, with capital expenditures including sustaining capital to support safe and reliable operations, growth capital to extend and enhance our franchise, and disciplined strategic mergers and acquisitions. As part of our sustaining capital, when equipment reaches the end of its useful life or requires overhaul, we aim to replace it with modern upgrades which can bring environmental benefits in addition to operational improvements. As part of our capital allocated for major projects, we explore opportunities and alternatives that both sustain and decarbonize our business, such as expanding our portfolio to include lower-carbon commodities or transform and export our products. Similarly, capital allocated for

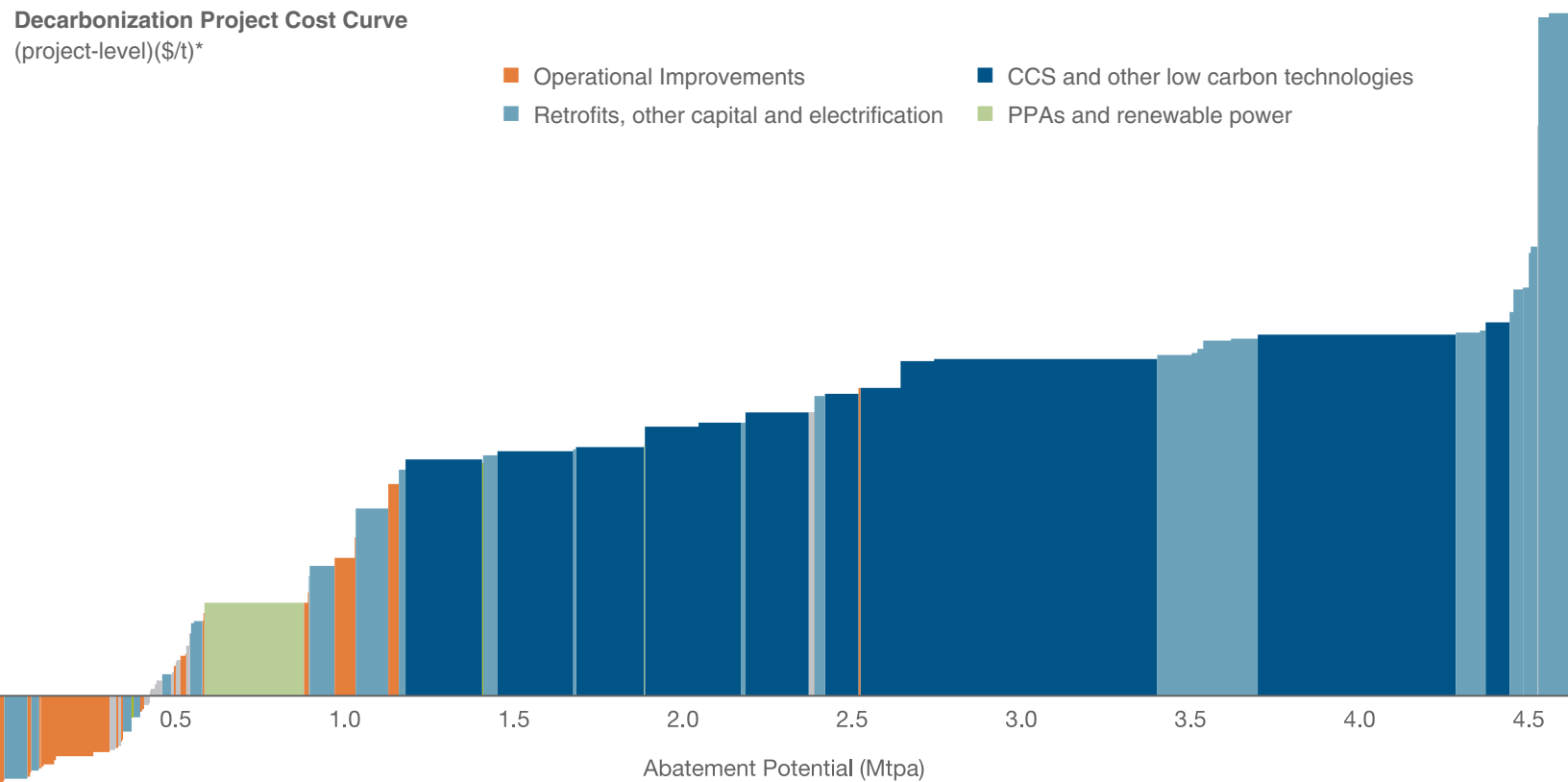
strategic mergers and acquisitions can make our business more resilient by enhancing our core business and supporting decarbonization efforts.

Underpinning the 30 by 30 roadmap is an expanded assessment of decarbonization projects and technologies to create a corporate-wide Marginal Abatement Cost Curve (“MACC”). In creating the MACC curve, we identified a range of options to decarbonize our assets and evaluated their costs, revenues, and associated compliance obligation impacts. The assessment has enabled Pembina to identify projects with positive returns, prioritize higher emitting facilities and evaluate trade-offs among various emission reductions projects. The corporate MACC curve was built from

asset-specific assessments and serves as an asset-by-asset roadmap that will be monitored and maintained alongside our 30 by 30 roadmap.

As prudent stewards of capital, our decarbonization roadmap includes prioritizing decarbonization projects that generate a positive rate of return for the company’s stakeholders and are assessed with the same financial rigour as our core business. When evaluating decarbonization projects, we will consider the market-based carbon price, potential operational savings and seek to leverage grants and incentives.

As part of considering the economic evaluation of emissions reduction projects for existing assets and transformative projects, we evaluate the applicability of energy transition grants, incentives and funding from governments and governmental agencies. During 2024, Pembina was approved to receive the Sturgeon County’s Energy Value Chain Incentive, a municipal tax credit for the construction of a new propane-plus fractionator at our Redwater Complex in Alberta. Under this incentive program, projects can receive a municipal tax exemption of up to 1.5% of project costs with an additional incremental exemption depending on ESG criteria. We are honoured to have been approved to receive the full 2.5% value available under this program.



*The abatement cost reflects the cost per ton of the decarbonization project, excluding carbon price and any associated revenue.



Challenges and Complexity in Reaching 30 by 30

As we move forward in our decarbonization journey, there remain dynamic challenges which introduce risk and complexity to meeting our emissions reductions. These include:

1. Customer Contracts

Emissions reduction projects are not developed in isolation of the long-term contracts underpinning Pembina's commercial structure. Many capital expenditures require approvals or participation from customers, sometimes subject to stringent pay-back requirements. For Pembina, advancing credible emissions reduction projects requires commercial engagement and customer support, adding complexity and risk to our decarbonization planning.

2. Regulatory Uncertainty

We continue to monitor evolving climate change policies and carbon pricing regulations across the jurisdictions in which we operate. Emerging and duplicative regulations, permitting ambiguity, and slow-moving or restrictive incentive programs can negatively impact the pace and scale of decarbonization investment, creating a competitive disadvantage for Canadian projects relative to jurisdictions with established incentive programs. Government action to create efficient regulation and maximize value of clean growth incentives will be critical to the success of the energy transition in Canada and a balanced, responsible, and competitive regulatory regime is required to support

investment in decarbonization, particularly for new and emerging clean growth industries. Certainty of carbon policies and incentives impact the return profile and competitiveness of decarbonization projects and can vary significantly. Lack of certainty brings additional complexity to the evaluation of decarbonization opportunities.

3. Technological Advancements

Technologies that support decarbonization continue to advance, and as adoption rates increase, we expect the cost of these technologies to decrease, leading to better economics. We remain focused on carefully evaluating the development of new technologies and solutions to assess their suitability for Pembina's specific operations.

To support the technological advancement required for the energy transition, Pembina has committed to a \$25 million investment over multiple years with Energy Impact Partners LP ("EIP"), a global investment firm focused on energy transition investments. EIP brings together entrepreneurs and energy and industrial companies to advance innovation in decarbonization technologies. The investment with EIP offers Pembina a structured approach to support relevant early-stage energy technologies and businesses that strive to support the transition to a lower carbon economy.

Considering the challenges and complexities involved in reaching 30 by 30, along with our focus on executing economically viable projects,

there is the possibility that our ability to achieve our target by 2030 could be delayed.

For a full list of Risk Factors, refer to our [AIF](#).

Risk Management

Climate Opportunities

Pembina's corporate strategy includes investments in new infrastructure and continued decarbonization of our core business. At the same time, we will capitalize on exciting opportunities to leverage our assets and expertise into new service offerings that are associated with lower-carbon commodities.

Our Marketing Business Unit actively optimizes our energy consumption and explores securing renewable energy sources and utilizing PPAs to offset our scope 2 related emissions. Our first PPA, for the offtake of 100 MW of renewable energy from the Garden Plain Wind Farm, went into commercial operation in August 2023. The project added 130 MW capacity of wind generation of which Pembina's offtake is 100 MW. The PPA not only provides renewable energy to advance our decarbonization strategy, but also generates carbon offsets that can be utilized for Alberta TIER compliance. In 2024, we earned 135,000 carbon offsets associated with the Garden Plain PPA.

We continue to progress transformational opportunities like Cedar LNG, ACG and Pembina Low Carbon Complex™.



Cedar LNG

Cedar LNG is a partnership between Pembina and the Haisla Nation to develop a floating LNG facility in Kitimat, British Columbia, within the traditional territory of the Haisla Nation. 2024 was a transformational year for Cedar LNG, the project announced a positive final investment decision in June, and early construction activities began in July. The project is strategically positioned to leverage Canada’s abundant natural gas supply and British Columbia’s growing LNG infrastructure to produce industry-leading, low-carbon, cost-competitive Canadian LNG for overseas markets. Cedar LNG is the world’s first Indigenous majority-owned LNG project, will provide unprecedented opportunities for both the Haisla Nation and the region, and is expected to be one of the lowest emitting LNG facilities in the world.

Powered by renewable energy from BC Hydro, Cedar LNG is expected to produce 0.08 tonnes CO₂e per tonne LNG, considerably less than other proposed LNG facilities and well below the global average of 0.35 tonnes CO₂e per tonne LNG.

Cedar LNG will provide a valuable outlet for WCSB natural gas to access global markets and is expected to achieve higher prices for Canadian producers, while contributing jobs and economic opportunities to the Haisla Nation and region.

Pembina recognizes the important role we play in Indigenous economic reconciliation. Cedar LNG is a model for Indigenous and industry partnerships – an Indigenous majority-owned project developed responsibly with environmental stewardship at the forefront. We are proud to be involved in transformative partnerships with Indigenous communities, working together to reshape the relationship between Indigenous communities and the energy industry.

For more details, see the Cedar LNG section of this report or learn more about Cedar LNG at www.cedarlng.com.



Alberta Carbon Grid

A joint venture between Pembina and TC Energy, ACG is a carbon transportation and sequestration solution being designed to help multiple customers and industries across Alberta meet emissions targets. ACG is exploring options to potentially create several hubs throughout Alberta that would be designed to collect and store up to 20 million tonnes of CO₂ annually.

Our first hub and current focus is the ACG Industrial Heartland project, which will have the potential to transport and store up to 10 million tonnes of CO₂ annually when fully developed. This project has been selected by the Government of Alberta to further evaluate the proposed location for safely storing carbon.

ACG completed the appraisal well drilling, logging and testing, with well data that was incorporated into a detailed subsurface model confirming the sequestration capability. ACG continues commercial conversations with potential customers and refining the project scope.

Learn more about Alberta Carbon Grid at www.albertacarbongrid.ca.

Pembina Low Carbon Complex™

Pembina continues to make efforts to advance a growth initiative called the Pembina Low Carbon Complex™ (“PLCC”). With a large undeveloped land position located in the Alberta Industrial Heartland, our vision is to develop a complex for low-carbon energy infrastructure to better enable Pembina and third parties to develop projects, while reducing costs, emissions and risk.

The PLCC is focused on attracting and developing investment in emerging industries or technologies, sustainable fuels, power, and other infrastructure.

Within the PLCC, Pembina may lease land to third parties and provide infrastructure, logistics and shared services to tenants, depending on their needs, under typical midstream commercial models. Pembina may also consider direct investments in these projects.

For more details on the climate-related opportunities underpinned by our corporate strategy, see the Climate Opportunities and Risks Appendix.

Climate Risks

While Pembina’s strategy supports the energy transition, we also recognize that climate-related risks, if not properly managed, could affect our direct operations, as well as those upstream and downstream in our value chain. To address this, we actively monitor evolving regulatory requirements, assess the impact of carbon pricing, evaluate changes in technology and track projected demand for energy products. Additionally, we have integrated climate-related criteria into our capital allocation decisions, to help align our operations and emissions reduction activities with long-term sustainability goals.

From a physical climate risk perspective, we currently assess the impact of acute physical risks as part of our business interruption and contingent business interruption exposures, largely through asset-specific risk engineering reviews. These asset-specific reviews, offered via a third-party, include site surveys and audits that evaluate the effects of natural hazards, including climate, on our assets as well as risk controls. We couple this external assessment with business unit evaluations to analyze the potential financial and operational impact of physical climate risk to our assets.

For more details, see the Climate Opportunities and Risks Appendix.

Metrics & Targets

GHG Emissions and Management

In late 2021, we established a GHG emissions intensity reduction target and over the last four years we have executed a number of emissions reductions and clean technology projects that have reduced our emissions intensity. We have also made investments in measurement and data management technologies, both of which will improve the timeliness of our reporting.

Pembina’s GHG emissions footprint is generated from our facility and pipeline operations. Scope 1 GHG emissions result primarily from fuel combustion, flaring and venting at our facilities. Scope 2 GHG emissions are primarily from purchased electricity, which is used to run our equipment and power our offices. A breakdown of the composition of our 2024 Scope 1 and 2 emissions is shown on page 30.

Methane

Pembina acknowledges that methane is of broad concern for the energy industry given the high global warming potential of methane emissions. In 2024, methane emissions represented less than four percent of our total scope 1 and 2 GHG emissions.

Our approach to managing methane emissions from operations includes:

- **Identifying material sources of methane emissions across our operations;**
- **Conducting source-level direct measurement through fugitive emissions surveys and implementing leak repairs, per our fugitive emissions management program;**
- **Ongoing compressor seal testing program;**
- **Selective installation of vapour recovery systems for vents;**
- **Identification and completion of equipment replacements and/or retrofits; and**
- **Implementation of a company-wide Emissions Data Management (“EDM”) system to provide accurate and timely source and site-level emissions in support of informed business decisions to drive methane reductions and decarbonization.**

In addition to the mitigation activities mentioned above, our 30 by 30 target includes methane reduction opportunities.

2024 Performance

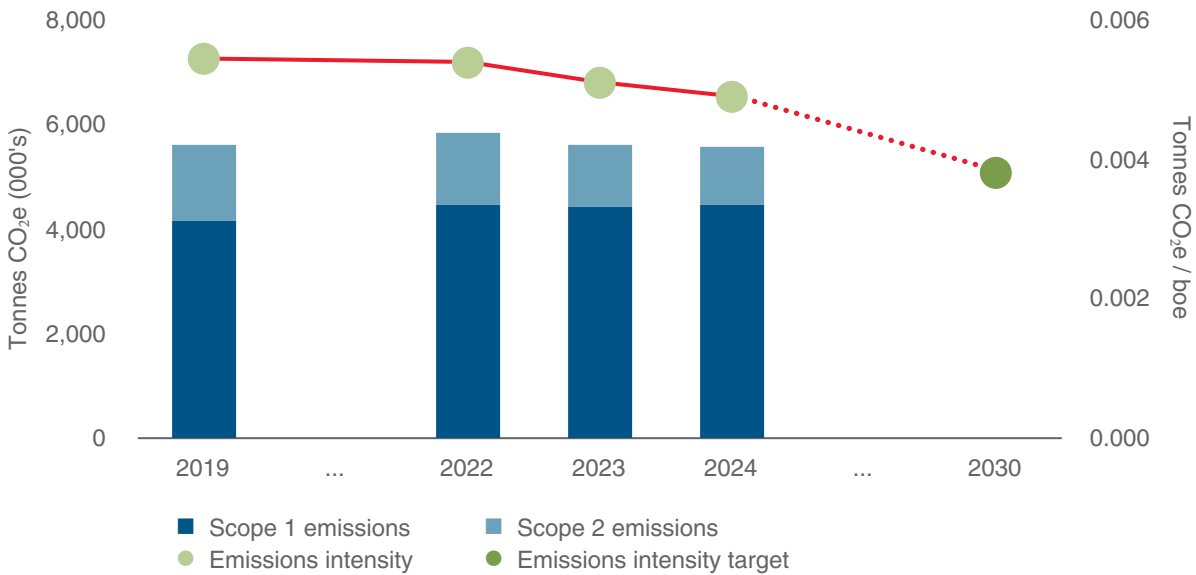
On April 1, 2024, we closed the Alliance/Aux Sable Acquisition which added emissions sources from pipeline compression infrastructure. As a result, our GHG emissions intensity baseline was subject to a material adjustment. To enable comparison and support tracking against our target, we recalculated and assured our 2019 baseline to include the contribution of these assets.

From an operational perspective, we implemented and sanctioned a number of decarbonization actions to reduce our absolute emissions, including equipment and process optimizations, engine upgrades, leak repairs and waste heat recovery upgrades. Additionally, we realized scope 2 emissions reductions from carbon offset retirements linked to existing renewable power purchase agreements. As a result of the initiatives implemented, in 2024, our absolute GHG emissions decreased by approximately one percent compared to 2023.

In 2024, Scope 1 emissions were 4,492,231 tonnes CO₂e, a one percent increase over 2023. Scope 2 emissions were 1,080,764 tonnes CO₂e, a nine percent decrease from 2023. The overall decrease in scope 2 emissions is primarily attributable to greening of the Alberta electricity grid.

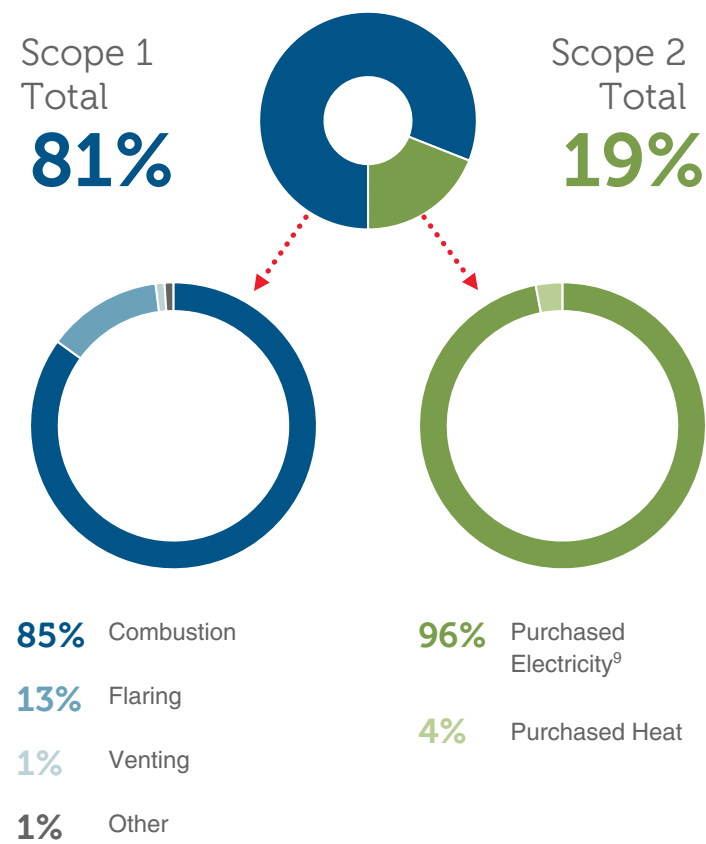
Corporate emissions intensity decreased by approximately four percent compared to 2023. Our cumulative reduction against our adjusted 2019 baseline is approximately 10%⁸. Emissions intensity reductions were primarily attributable to increases in physical throughput. The following chart illustrates our adjusted baseline and target emissions.

GHG Emissions Performance



⁸ 2019 baseline scope 1 & 2 GHG emissions have been restated to include the incremental assets acquired as part of the Alliance/Aux Sable Acquisition. Emissions data presented in the figure above for 2022 and 2023 have also been updated to reflect the emissions from assets added through the Alliance/Aux Sable Acquisition.

2024 Scope 1 and 2 Emissions Composition



Pembina launched an Emissions Data Management system and 2024 was the first year our EDM system was used for measurement and reporting. The EDM system consolidates emissions data from across our assets and reduces manual processes by integrating field data capture systems into one platform. Centralizing our emissions data supports more timely and efficient reporting and provides operations and supporting functions with real-time data and insights needed to drive decarbonization opportunities. Automation and standardization supported by the EDM system facilitates timely reporting in alignment with emerging sustainability disclosure requirements.

⁹ Purchased electricity includes imported electricity and carbon offset retirements linked to existing power purchase agreements.

2024 Scope 3 Emissions Performance

We rely on best available data and a number of assumptions and estimations to calculate our scope 3 emissions. In 2024, we continued to refine our quantification methods to enhance the accuracy of our six reported scope 3 categories including:



Implementation of improved quantification methods and growth in our business contributed to a 29% increase in previously reported scope 3 categories over 2023. Of the scope 3 categories we have evaluated and consider relevant to our business, the majority of our emissions are the result of Fuel and Energy Related Activities, related to upstream emissions from fuel purchases and consumption and Investments, associated with our equity interest in PGI. Together these two categories represent 94% of our total reported scope 3 emissions. Please refer to our scope 3 GHG emissions data and methodology explanations in our Energy Transition and Climate data table.

2024 operational improvements to reduce GHG emissions and operating expenses

- 1. Fleet Engine Upgrades:** We have sanctioned a fleet-wide upgrade to transition certain engines to platforms that are more efficient and produce fewer emissions. In addition to reducing emissions, these conversions allow Pembina to ensure ongoing compliance with methane regulations, streamline maintenance through standardized spare parts, improve operational training and effectiveness and reduce operating costs paid by customers. The expected Scope 1 emissions reduction resulting from these upgrades is more than 29,000 tonnes of CO₂e after full implementation.
- 2. Operational Efficiency and Upgrades:** We have pursued multiple process and operational efficiency projects across multiple sites including installation of heat exchanger tubing at our Aux Sable plant and reducing regeneration rates at our Redwater fractionation plant. Collectively, these process and efficiency projects reduce our Scope 1 emissions by 4,769 tonnes of CO₂e on an annualized basis.
- 3. Flare and Fugitive Reductions:** We have continued to reduce flaring in our gas plants through optimization of purge gas, installation of vapour recovery units and installation of advance flare tips and optimization of regeneration loops. We will continue to monitor our sites for fugitive emissions and repair releases as soon as practical. In 2024, these initiatives contributed to a reduction of 10,132 tonnes of CO₂e on an annualized basis.

Looking Forward: 2025 & Beyond

We continue to work on increasing Pembina’s long-term value and helping ensure Canadian energy is developed and delivered responsibly.

Going forward, our focus is on:

Operational and Retrofitting Through Capital Investments

- Continuing to take action to implement our 30 by 30 roadmap, including executing engineering studies on a number of decarbonization projects across our operating facilities. We continue to prioritize development of emissions reduction projects with positive returns, with a focus on our highest emitting facilities;
- Evaluating modernization projects including upgrading our compressor fleet to a less carbon intensive engine and reducing flaring by upgrading flares or optimizing purge gases;
- Pursuing available government grants and incentives to improve the economics of decarbonization projects; and
- Working with customers to identify those decarbonization projects that achieve both a competitive pay-back as well as advance decarbonization efforts across the industry.

Investing in a Lower Carbon Economy

- Progressing Cedar LNG construction which started in early July 2024, with a focus on site preparation and clearing work on the marine terminal area to prepare for a full construction season in 2025 and peak construction anticipated in 2026. On March 21, 2025, the Government of Canada announced a contribution agreement under the Strategic Innovation Fund of up to \$200 million for Cedar LNG. On April 9, 2025, we received approval from the British Columbia Environmental Assessment Office on an amendment that will optimize our design and help reduce the overall environmental effects of the project – the federal process to review this amendment is underway;
- Advancing ACG by progressing commercial conversations, continuing our evaluation program, refining the project scope, and advancing project engineering, including facility design and pipeline routing;
- Continuing to explore investment opportunities in renewable power and anticipate the PPA for the third-party Wild Rose 2 Wind Farm to be operational in Q4 2025; and
- Maturing longer-term decarbonization projects including CCS, full plant electrification and flare gas utilization projects.

GHG Emissions and Management

- Advancing the accuracy and comprehensiveness of the most material categories of scope 3 emissions; and
- Continuing to assess additional functionality associated with our EDM system including the potential for forecasting and scenario analysis.

Greenlight Electricity Centre

On February 27, 2025, Pembina announced that it had entered into agreements for a 50 percent interest in the Greenlight Electricity Centre Limited Partnership ("Greenlight LP"), which is developing a gas-fired combined cycle power generation facility to be located in Alberta’s Industrial Heartland and constructed in multiple 450 MW phases, up to 1,800 MW (the "Greenlight Project"). The Greenlight Project would be constructed on land owned by Pembina, adjacent to its Redwater Complex. Greenlight LP will be owned equally by Pembina and Kinetikor Holdings LP#3, a subsidiary of OPSEU Pension Trust.

Pembina is well positioned to leverage its existing and future value chain to further support this project. The proximity of Alliance Pipeline offers a potential accretive expansion opportunity to provide natural gas supply to the Greenlight Electricity Centre, and the potential future development of the ACG may provide a future emissions reduction solution.





Employee Well-Being & Culture

Cultivating a positive employee experience and **promoting a diverse and inclusive environment** where our employees feel a sense of belonging, engaged, recognized and empowered is foundational to our success.



Delivered **Men's Mental Health Network** sessions across our operations to raise awareness and de-stigmatize mental health in the workplace



Integrated leadership development and EDI, creating the newly formed **Culture Inclusion and Leadership** area

Analyst Corner

2025 Management Information Circular – EDI (pages 41-42)
Website - Employee Well-Being and Culture

Our Approach

A thriving business requires an engaged, diverse and innovative workforce.

Our Values Drive Our Approach to Employee Experience

We set ourselves apart by creating a differentiated experience for our employees. Our commitment to delivering excellence for our employees means they say we are the ‘employer of choice’ and value our safe, respectful, collaborative and inclusive work culture. We strive to attract, retain and develop the skills and expertise necessary to execute our strategy, and our talent management approach remains merit-based, focusing on recognizing qualified, high-performing individuals. More specifically, our approach to employee well-being and culture includes:

Employee Development & Well-Being

To attract and retain an engaged workforce, we strive to provide employees with positive experiences, including supporting employee health and well-being through our benefits and wellness programs, providing an above-market total rewards program, supporting personal development and career progression through training, job rotations, stretch assignments, individual development plans, tuition and training reimbursement, and mentorship. Leadership development is emphasized at all levels of our organization, and we pride ourselves in creating a work environment where accountabilities are clear, strong performance is expected, and results are recognized.

Employee Engagement

Listening to our employees enables an inclusive and engaging work environment. We rely on employee feedback to adapt our processes in a manner that helps our people to succeed. We host regular employee town halls with our officers and senior leadership, in addition to team-specific performance and strategy sessions. We routinely conduct engagement surveys to hear directly from our employees on what is going well and opportunities for improvement. We use this feedback to

develop strategic action plans to address what is important to our employees and improve their overall experience at Pembina.

Recognition

Recognizing employee contributions and achievements is vital to fostering a positive work environment. This is why we offer various forms of recognition including peer-to-peer recognition, long-service awards and individual performance weighting in our short-term incentive plan. To recognize exemplary employees who live our values, we have the RISE (Recognize Individuals who Show Excellence) awards.

RISE Awards

‘CEO Award’

Showcases exemplary leadership and behaviours reflective of Pembina’s values

‘Keeping Us Safe’

Demonstrates a strong commitment to health and safety

‘Driving Success’

Develops new and innovative ways to solve challenges, contributes to continuous improvement and goes beyond their regular duties

‘Community Impact’

Inspires and advances EDI and makes a positive impact on the community

‘Team Player’

Excels at collaboration and goes above and beyond to work with others to achieve extraordinary outcomes

Advancing Inclusion

We believe our approach to EDI creates a differentiated experience for our employees and all stakeholders. Our approach advances EDI through awareness and education to support our understanding of how we can all contribute to a culture of inclusion, including:

- **Inclusion Networks** are employee-led groups designed to build a sense of workplace community and belonging for diverse employees and their allies by exploring EDI topics and initiatives that matter to them. Inclusion Networks are a key focus in the Culture and Inclusion Strategy and we welcome and encourage all employees to participate. All Inclusion Networks have a terms of reference and governance structure that aligns their work with the Culture, Inclusion and Leadership Strategy and Pembina’s values.
- **Conversations for Change** is a company-wide event series featuring panel-style conversations with our employees to explore EDI topics and their impact on the personal and professional lives of our colleagues.
- **Acknowledgement Months** celebrate the history and cultures of diverse groups and bring awareness and connection to important EDI topics. They are supported by employee led planning groups and anchored by our Conversations for Change panels and Inclusion Networks.
- **EDI Foundations Education** is a custom-built education program to support foundational understanding of EDI core concepts, build understanding of the impact of exclusion in the workplace, and support employees with skills and strategies to build allyship and inclusion. The Learning Sessions are custom designed and use Pembina case studies to ensure the content is embedded in real-life workplace situations.

Targets

Our approach to EDI includes executive and Board targets that aim to increase the representation of women and other underrepresented groups while aligning to our merit-based approach focusing on qualified, high-performing individuals. Refer to our 2024 Performance section below for an update on our progress against these targets.

2024 Performance

In 2024, we made important strides in advancing our People Strategy. This strategy is designed to create conditions in which Pembina realizes our strategic priorities through our people. The People Strategy outlines the organization’s vision to “build a learning organization that underpins a resilient and thriving business.” By becoming a learning organization, we believe employees will foster open discussion, think holistically, cultivate tolerance and adapt to the unpredictable more quickly than our competitors.

As part of our ongoing commitment to continuous improvement and to prioritization, in 2024 we incorporated workforce data to support more informed decision making, including:

- Analyzing candidate pool data to determine where we can improve our hiring practices to meet future business needs, like those related to Cedar LNG;
- Leveraging benchmarking data from Mercer, the Conference Board of Canada and Statistics Canada to compare our internal workforce data with industry trends;
- Reviewing every stage of the employee lifecycle to identify opportunities to improve the overall employee experience, including employees that join Pembina through an acquisition, such as the Alliance/Aux Sable Acquisition;
- Assessing our workforce and external talent pool composition to inform a review and update of our total rewards program;
- Sharing recruitment metrics internally, such as time to fill positions, vacancy rates, and budget impacts; and
- Leveraging internal and external diversity data to enhance our understanding of workforce diversity at Pembina.

Employee Development & Well-Being

In 2024, we focused on supporting employee well-being through performance and total rewards, including updates to our benefits programs to align with our People Strategy and to enhance inclusion and a sense of belonging.

Employee Development

To support growth and development across our workforce, we made several improvements, from hiring practices for new employees to offering education and training. In 2024, we introduced an online onboarding module, with optional in person or virtual Q&A sessions, providing new hires with a more consistent experience and resources that can be accessed at any time. To attract early-career talent, we continued offering co-op, intern, and summer student programs. We also prioritized internal mobility and talent reviews, enabling us to leverage our internal talent to fill positions, including those up to the executive level, in support of organizational changes. For our operations employees, we continued the implementation of the Training, Mentoring & Qualification program, which ensures they have the technical skills and qualifications needed to safely and effectively operate our assets.

This program is underway in several of our operating areas and will be available across our Canadian operations by the end of 2026. Additionally, in 2024, we piloted the ‘Safety Excellence for Supervisors and Managers’ program to reinforce the importance of leadership in safety, with a full rollout planned for 2025 and beyond. In support of building a pipeline of leaders with the capabilities to enable our strategy, we began work on further formalizing and maturing our enterprise talent review processes and implementing a formal assessment and development process for our executive leaders. The executive team regularly reviews the development and succession of high potential talent.

Employee Well-Being

In 2024, we completed a review of our Total Rewards program, supported by workforce data, with a focus on equity and inclusion. This led to several changes to our program, offering more flexibility and choice. The review covered both our Canadian and U.S. programs and included updates to support physical, mental and financial well-being. We continue to offer educational sessions to help employees fully understand and make the most of their total rewards, including base pay, benefits, pension and savings plans and long-term incentive and short term incentive pay.





Employment and Training Initiatives with Cedar LNG

Critical to Cedar LNG’s success to date has been the strong support of neighbouring Indigenous Nations. Cedar LNG is committed to sharing value with Indigenous and local communities in the region through construction jobs and contracting, training opportunities, long-term employment, and other measures that will contribute to economic prosperity in the region. The project is expected to create up to 500 jobs during peak construction and approximately 100 full-time jobs during operation.

As part of our commitment to fostering local economic growth and supporting workforce development, Cedar LNG employment and training initiatives will be designed to create meaningful opportunities for individuals in the region, equipping them with the skills and experience needed to thrive in their careers. Through partnerships with the Haisla Nation, surrounding Indigenous Nations, and regional organizations we are developing targeted employment and training plans that are tailored to meet the unique needs of the local communities, ensuring that opportunities are accessible and inclusive.

By working directly with local communities, we aim to raise awareness about available positions, provide clear pathways to employment, and offer support throughout the application and training process. This hands-on approach will help us better understand community priorities, address potential barriers to employment, and create a workforce development strategy that reflects the values and aspirations of the region.

Through these collaborative efforts, we are committed to fostering long-term, sustainable employment opportunities that benefit individuals, families, and communities in Kitimat and the surrounding area.

Employee Engagement

Our 2024 Employee Engagement survey had strong participation, with 89% of employees sharing their thoughts and feedback, including over 1,400 personalized comments providing important insights to guide continuous improvement. The survey assessed engagement across individual, job, and organizational drivers focusing on purpose, energy, and satisfaction. This year, we added a new “Learning Organization” driver to measure curiosity and learning. Overall, this year’s survey results continue to be highly positive with improvements in engagement, employee experience and positive increases across nearly all key drivers. The feedback highlights employees' pride in their work and their connection to the company's success. Once engagement results are announced, leaders share and integrate them to support their teams' goal-setting activities.

Recognition

2024 marked our third-annual RISE Awards. The program is designed to highlight and honour employees who truly embody our values. These awards create opportunities for peer-to-peer recognition and showcase excellence across categories like safety, leadership, community impact, collaboration, and driving success. At the September Town Hall, 15 finalists were selected from nominations across our operations. The event also recognized long service milestones, honouring employees celebrating 30 or more years of service.



RISE Award: Keeping Us Safe

Dave Dalziel was the winner of the RISE Keeping Us Safe Award. Dave, a Coordinator, In-Line Safety Inspections, in Grande Prairie, had multiple nominations for his outstanding leadership and commitment to both physical safety and mental health. He’s dedicated to creating a strong safety culture within his team and has taken on the important role of co-chair for Pembina’s Men’s Mental Health Inclusion Network. Through this role, Dave has created a supportive space for people to share their experiences and has shown great courage in discussing his own mental health journey.

Advancing Inclusion

In 2024, Pembina integrated leadership development and EDI, creating the newly formed “Culture Inclusion and Leadership” area.

This integration furthers our commitment and investment in inclusion and solidifies the sustainment of inclusive practices in our organization through our leaders. It also acknowledges the fundamental role of inclusive leadership as a core driver for creating the conditions where all employees can achieve high performance.

Pembina continues to offer EDI-based programming such as Inclusion Networks, Conversations for Change, Acknowledgement Months and EDI Foundations. These initiatives are key to increasing understanding, awareness, and alignment with Pembina’s values, providing meaningful opportunities for employees to connect, learn, and share experiences, while fostering a culture of inclusion and belonging.

Inclusion Networks

In 2024, over 500 employees were engaged in Inclusion Networks across the business, including both corporate and field based employees. Our Inclusion Networks are open to all employees and participation is highly encouraged. This year we relaunched our Women’s Inclusion Network (“WIN”) creating a supportive space for dialogue, collaboration, and the advancement of gender inclusion and representation within the workplace. WIN joins our other inclusion networks including the Indigenous Inclusion Network, Multicultural Resource Group, Pride Pembina (LGBTQ2S+) and the Men’s Mental Health Inclusion Network.

Investment in Mental Health

In the first year of the Men’s Mental Health Network, co-chairs of the Network travelled across the company to share personal stories of mental health to raise awareness and to de-stigmatize mental health in the workplace. These sessions were held at several field offices across our operations, with events reaching up to 50 people at a time. In 2024, the Network also piloted Mental Health First Aid training, furthering its commitment to supporting mental well-being at Pembina.



Supporting an Inclusive Workforce

Pembina strives to make transformative investments with non-profit and charitable partners that share our commitment to safe and inclusive communities. In 2024, Pembina’s community partner Women Building Futures (“WBF”) marked an important milestone with the graduation of the first Journey to Trades program in Regina, Saskatchewan.

WBF is a non-profit organization that offers free skills training and support services to women and gender-diverse individuals who want to enter careers in the skilled trades. Journey to Trades prepares participants with the basic hands-on skills, safety certifications and experience to start a career in the construction trades.

Eighteen women completed the program, an opportunity made possible through Pembina’s support.

Pembina Supervisor Shane Kerr had the opportunity to attend the graduation ceremony and shared, “Attending the WBF graduation event in Regina was an incredibly inspiring experience. Hearing each of the graduates’ stories was both moving and enlightening, as they all had to overcome significant barriers to participate in the program.”

Shane added, “What struck me most was witnessing the new sense of self-belief that each individual had gained through their journey. I’m proud to be part of a company like Pembina knowing their participation in the program helped to give an opportunity to these women to pursue their newfound passions and transform their futures. Their transformation was a powerful testament to what’s possible with personal growth when dedication is fuelled with a little support and opportunity.”

For more details on community investment at Pembina, see the Community Investment section of this report.





The Conversations for Change Series

In 2024, the Conversations for Change reached more than 482 employees as part the series' live panels, which featured three impactful discussions. These conversations were held in recognition of International Women’s Day & Women’s History Month, National Day for Truth and Reconciliation and Movember.

Acknowledgement Months

In 2024, our employees engaged over 1,200 times in Acknowledgement Month and Inclusion Network events. We recognized many important topics through various engagement opportunities including Black History Month, International Women’s Day, National Indigenous People’s Day, Pride month, Cultural Awareness, National Day for Truth and Reconciliation and Movember in support of Men’s Mental Health.

EDI Foundations Education

In 2024, over 1,300 employees have accessed one or more levels in the EDI Foundations series. Feedback obtained from the modules was resoundingly positive with virtually 100% of respondents reporting they had progressed their awareness and understanding of EDI and better appreciated the value of inclusion, its alignment to Pembina’s values, the impact of empathy and the need for allyship.

Indigenous Inclusion

In 2024, Pembina launched the “EDI 400” Indigenous Inclusion learning module to further our commitment to building appreciation for Indigenous culture within our workforce. A total of 395 employees, including Pembina’s Executive Leadership, completed the module in recognition of National Day for Truth and Reconciliation. For more details, see the Indigenous Engagement section of this report.



Accessibility

In 2024, Pembina completed an accessibility audit through the input and collaboration of teams across Legal, Building Services, Safety, Supply Chain, Inclusion Networks, Communications, Information Services, Supply Chain, Vancouver Wharves and Talent Development. They also revised the Accommodation Standard and created a new Accessibility Standard.



Centering Employee Voices

Centering Employee Voices is an internal video series that highlights the unique voices and experiences of Pembina employees.

This video series is a complement to Conversations for Change and supports Culture and Inclusion's strategic outcome of cultivating an inclusive and safe workforce. In the videos, employees share how culture and inclusion is important to building a successful, safe work environment. In 2024, we heard from employees from Channahon, Illinois to Redwater, Alberta and the video series was viewed over 1,900 times.

Targets

In 2021, Pembina set diversity targets for our Board, executive leadership, and broader workforce. While we continue to exceed targets for women in executive leadership, overall executive diversity, and Board diversity, we will not meet the 45 percent target for overall diversity and 35 percent target for women in the workforce which we had set out to reach by 2025.

With our increased focus on the diversity of our workforce, we've gained valuable insights into our workforce, industry, and communities and will apply these learnings to reassess our approach. Moving forward, Pembina will report on progress for the Board and executive leadership.

Pembina is a merit-based company, that remains committed to advancing EDI across our organization. We believe that fostering a culture of inclusion is essential to our success and to the positive impact we have in the communities where we live and work.

2024 EDI Targets^{10,11}



¹⁰ Women on Board and Board Diversity metrics are in respect of independent directors of the Board.
¹¹ Women in Executive and Executive Diversity metrics are in respect of Pembina's Canadian and U.S. workforce and includes CEO, Senior Vice President and Vice President level positions.

Looking Forward: 2025 & Beyond

Some key initiatives planned for 2025 are:

- Continuing to explore additional ways to make our total rewards offerings more equitable and inclusive;
- Developing a strategic roadmap to support our People Strategy;
- Strategic workforce planning review and evaluation of our internal recruitment processes and identified actions we will take in 2025 and beyond to make our recruitment process more equitable and inclusive;
- Continuing to embed our People Strategy in how we work;
- Continuing to improve workforce data and reporting, including the measurement of our progress against the People Strategy;
- Focusing on leadership capabilities and a high-performance learning culture;
- Building and evolving skill-building efforts; and
- Formally implementing the Safety Excellence for Supervisors and Managers program to all leaders.

Central to this effort is our belief in the importance of cultivating curiosity and a learning mindset across our organization. As we integrate automation and artificial intelligence (“AI”) into our operations, we are dedicated to providing employees with the resources, training, and support they need to adapt and thrive in an evolving workplace. By encouraging continuous learning and exploration, we aim to create an environment where employees feel confident embracing new technologies and leveraging them to their fullest potential.

Our approach prioritizes the employee experience, ensuring that automation and AI are implemented in ways that complement and enhance existing work and human skills. By involving employees in the design and adoption of these technologies, we aim to create solutions that are intuitive, impactful, and aligned with their needs.

Through this work, we aim to not only enhance operational efficiency but to also foster a culture where employees are empowered to learn, adapt, and thrive in a rapidly changing world.

Pembina Named a Top Employer in Alberta for 2025

For the 12th year in a row, Pembina has earned a spot as one of Alberta's Top Employers. This recognition, awarded by the editors of Canada's Top 100 Employers, celebrates organizations that set the bar for exceptional workplace cultures across the province.

Embracing Automation and AI to Enhance the Employee Experience

As we look to the future, we are committed to leveraging automation and AI to augment work, streamline processes, and enhance the overall employee experience. These technologies are not just tools for efficiency—they are opportunities to empower our workforce, enabling employees to focus on higher-value tasks, foster creativity, and drive innovation.



Health & Safety

Working safely is a way of life at Pembina and is at the heart of our values. Our corporate safety culture of “**Zero by Choice**” seeks to achieve zero harm to people, assets and the environment, and we believe our employees can achieve this by recognizing that “**Safety Starts with Me.**” This philosophy reflects our belief that all incidents are preventable and that nothing is more important than the safety of our employees, contractors and communities in which we operate.



Conducted over
29,000
leadership
engagements



Submitted
~24,000
Positive Safety
Recognitions



Analyst Corner

2025 Management Information Circular – Safety, environment and operational excellence committee (page 40-41, 57)
2024 Annual Information Form - Safety Program (page 48-49)
Health, Safety & Environment Policy
Website - Health and Safety

Our Approach

Our Safety Program is governed by our Health, Safety and Environment (“HSE”) Policy and is one of the operational risk management programs that form our OEMS. It employs a systematic approach comprised of principles, standards, procedures, guidelines and other supporting documents guided by ISO 45001 Occupational Health and Safety Management Systems. To support the Safety Program, we have established [Life Saving Rules](#) and [Safety Culture Expectations](#) that apply to all employees and contractors to ensure safety risks are managed effectively.

Our Safety Program is designed to drive continuous improvement and enhance safety performance through measurement, monitoring, risk management, and corrective actions. We use incident reporting, audits and other assurance tools as inputs to the Safety Program to identify continuous improvement opportunities. We have built a strong reporting culture that allows us to investigate and implement learning from incidents and near misses. All Pembina employees and contractors are required to comply with the requirements of the Safety Program, which includes the provision and completion of necessary training on relevant competencies to safely execute their work.

We view contractors as an extension of our business and as such, it is essential that they perform their work in a manner that is consistent and compatible with Pembina’s standards and expectations. Pembina uses ISN to manage contractor pre-qualification, orientation and compliance. ISN measures key safety requirements and performance metrics that are considered as part of the grading and selection process of contractors. Pembina’s safety protocols, procedures, policies and expectations are communicated to contractors through general and/or site-specific orientations, project safety and/or execution plans and kick-off meetings.

We take a comprehensive approach to process safety, including a Management of Change (“MOC”) system, to confirm that changes to existing and future facilities are properly recognized, and that we have

evaluated, managed and verified that risks arising from these changes are mitigated and remain at acceptable levels. We use self-assessments and audits of our completed MOCs to ensure compliance to our company MOC practice and to continually improve how we manage change. We use process hazard analysis (“PHA”), to identify potential hazards and assess the adequacy of existing or proposed safeguards to manage operational risk. Where existing safeguards are deemed insufficient, we recommend, and drive to closure, actions to mitigate risk.

To promote and measure safety performance, we use a balanced scorecard that includes both leading and lagging metrics. Leading metrics on this scorecard include leadership visibility in the field, positive safety recognitions, contractor inspections, and recognizing personnel who stop work due to a change in condition or potentially unsafe situation. These metrics are designed to proactively engage all levels of our organization, including our contractors, in positive safety discussions to promote safety awareness and reduce or eliminate preventable incidents. The scorecard also includes traditional lagging metrics, such as recordable injuries, preventable vehicle incidents, product releases and Tier 1 process safety events¹². Safety scorecard performance is a component of the formula that determines executive and employee short-term incentive compensation.

To support a learning culture, an Incident Review Panel (“IRP”) meets every other month to review selected incidents including sharing root causes, lessons learned and progress on corrective actions. Participants in the IRP include the executive team, operations and project leaders, and safety specialists. As part of our OEMS governance, executives are provided safety performance information and provide direction and approvals for corporate safety initiatives.



¹² Based on API 754 criteria



2024 Performance

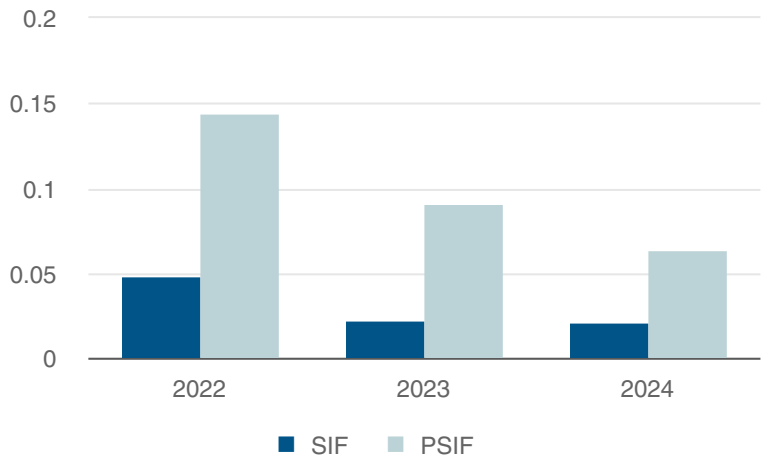
Our goal is to prevent all safety incidents, with a focus on reducing serious injuries or fatalities (“SIF”) and their potential (“PSIF”). In 2024, the SIF rate for employees and contractors decreased by 9%, from 0.023 in 2023 to 0.021. The employee and contractor PSIF rate decreased by 30%, from 0.091 in 2023 to 0.064.

In 2024, our employee Total Recordable Incident Frequency (“TRIF”) decreased by 17% and our contractor TRIF decreased by 7%.

Leadership visibility in the field, where the highest hazard work takes place, is key to supporting a culture of safety and reinforcing safety requirements. In 2024, our leaders conducted over 29,000 engagements, a 60% increase from 2023, reaffirming our emphasis on the value of leadership visibility in supporting a safety culture.

In 2024, we saw continued strength in our leading metrics, including hazard identifications, inspections and positive safety recognitions, all of which help promote a safety culture by recognizing potential hazards before they lead to incidents. In 2024, over 5,800 inspections were completed and over 24,000 positive safety recognitions were submitted, compared to over 5,000 and approximately 22,000 respectively in 2023. To improve contractor safety, we maintained strict qualification criteria and increased our contractor safety inspections, conducting over 4,200

Employee & Contractor SIF and PSIF



contractor safety inspections in 2024. We remain committed to encouraging the proactive identification of potentially unsafe working conditions and taking preventative actions to reduce the likelihood of an incident.

Safety at a Glance

Zero
Fatalities

Reduction in
our PSIF rate by
30%
compared to
2023

Held
second
annual
Contractor
Safety Summit

Completed over
9,000
hazard
identifications

Conducted
more than
4,200
contractor safety
inspections

Combined
employee and
contractor
TRIF of
0.68

In 2024, our Tier 1 Process Safety Incidents increased to 4 compared to 3 in 2023 and our Tier 2 Process Safety Incidents increased to 15 compared to 4 in 2023. The increases in the number of incidents are due in part to improved awareness and reporting on process safety incidents, as well as the expansion of our asset base. Throughout 2024, we provided training on identifying and reporting Process Safety Incidents across operations, resulting in an increased number of incidents reported during the year.

Managing hazards and risk is a continuous process. In 2024, we conducted 135 PHA studies across our assets, an increase of 78% from 2023. These studies were conducted as part of regularly scheduled asset reviews and for new projects to proactively identify potential risks for mitigation prior to construction. These studies and resulting actions are key to our strategy of identifying and mitigating process and operational risks for our assets.

In addition to our leading metrics, in 2024 we focused on improving our safety culture and preventing incidents through the following initiatives:

- **Continued emphasis on recognition for employees reinforcing our Stop and Think safety steps, by tracking and reporting actions taken as part of our safety metrics;**
- **Executed formal assessments of contractor safety programs for select contractors engaged in higher risk work at their work locations to validate that documented safety programs are implemented;**
- **Conducted our annual Contractor Safety Summit, allowing us to continue to build meaningful partnerships in service of improving safety performance;**
- **Implemented an automated process for pre-project hazard assessment;**
- **Conducted 20 safety culture workshops across operations and projects to align expected behaviours and actions for how work gets done across the business;**
- **Updated our general safety orientation; and**
- **Hired Industrial Hygienist to stand up a standardized industrial hygiene program.**

Project Hazard Assessment

An opportunity was identified to improve the process to identify high energy hazards in project job planning. The solution standardizes the hazard assessment process across all projects. It digitizes the assessment form, streamlining submission and capturing all essential information. It also identifies stakeholders, project support and scope, ensuring the involvement of all relevant parties. High energy/high hazard tasks are identified, with appropriate safety controls and action items assigned.

Safety Culture Expectation Workshop

In 2024, Pembina held 20 Safety Culture Expectation workshops across the organization. The workshops were held with 14 operating locations, six capital projects, with 36 contracting companies participating. The workshops were built in partnership with all personnel to promote safety alignment, agree upon safety expectations and identify areas for improvement. Participants selected three to four specific activities to measure as part of the safety objectives for the year or the project's duration. The primary focus of these sessions was to foster meaningful engagement in occupational safety activities among all personnel at the worksite, including both employees and contractors.

Looking Forward: *2025 & Beyond*

We recognize that employee and contractor safety are critical for sustained long-term safe and reliable operational performance. While our employee safety performance remains strong, we continue to focus on enhancing our contractor safety performance through enhanced contractor selection, onboarding, performance assurance, and reporting in 2025 and beyond.

Priorities for 2025 include:

- Enhancing safety leadership skills across the organization through Safety Excellence for Supervisors and Managers training;
- Continuing the implementation of our OEMS framework in support of our operational excellence journey (refer to page 18 for more information);
- Continuing to reduce operational risk through maturation of risk identification processes;
- Strengthening our messaging on recognition of desired Stop Work behaviours;

- Continuing to strengthen our contractor safety processes with a focus on reducing injuries and further lowering our number of SIF and PSIF events;
- Establishing metrics and KPIs that serve as an effective Process Safety Management scorecard;
- Focusing on training elements that operationalize Process Safety for front line workers and leaders;
- Continuing the implementation of our PHA studies with a focus on implementing actions to address key risks identified;
- Enhancing outage and turnaround planning;
- Continuing to focus on leading safety metrics including quality leadership field engagements and contractor inspections; and
- Reinforcing our commitment to building a culture where safety is everyone's accountability and encouraging personal ownership of safety throughout the organization, including revising our Life Saving Rules.

We have built a strong foundation with safe as one of our core values and we will continually pursue opportunities to mature our culture and improve safety performance.



Responsible Asset Management

By **operating our assets safely, reliably and with consideration for the environment**, we contribute to the long-term success of our employees, communities, customers and investors.

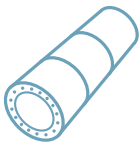
At Pembina **we take a lifecycle approach to managing our assets** including planning, construction, operation, decommissioning and reclamation activities. We are committed to continuously improving our operations and seek to align our operating practices to leading standards.

This section covers several ways we responsibly manage our assets, including:

- > Asset Management
- > Emergency Preparedness & Response
- > Waste Management
- > Water Management
- > Biodiversity & Land Use
- > Cybersecurity & Data Privacy



Conducted
149
emergency
management
personnel training
sessions and exercises



Inspected over
6,400 km
of pipelines with
advanced in-line
technologies

Asset Management

Analyst Corner

2024 Annual Information Form – Asset Integrity Management Program (page 46-47)

Health, Safety & Environment Policy

Website - Responsible Asset Management



Our Approach

Maintaining the integrity and reliability of our pipelines, facilities, and energy infrastructure helps keep our people and communities safe, and protects the environment.

Our OEMS, which includes comprehensive asset management programs, ensures that we design, build and maintain our assets in accordance with various regulatory frameworks, industry standards and guidelines. We are committed to continuous improvement while meeting or exceeding the regulatory requirements in the areas in which we operate. More specifically, our programs include:

Damage Prevention Program

This program focuses on the development, implementation and management of robust control programs, effective surveillance and monitoring techniques, and the education of our stakeholders and communities. We focus on mitigating risks through ongoing ground disturbance education and supervision, pipeline crossing assessments, right-of-way (“RoW”) patrol, land use and encroachment monitoring, managing third-party unauthorized activities through education and awareness and depth of cover management.

Public Awareness Program

This program defines how we create awareness about the presence of our assets in the communities in which we operate, the steps required to prevent damage to our assets and the role of our community stakeholders in recognizing, reporting and responding to pipeline and facility emergencies. We recognize that incidents, although infrequent, can occur, which makes it critical that we properly communicate our emergency response practices, share our available resources and incorporate all learnings into our stakeholder education materials.

Integrity Management Programs (“IMPs”)

Pembina utilizes comprehensive IMPs to prescribe evaluations and risk assessments that help determine the necessary testing and

integrity work required to successfully maintain safe, reliable assets. These programs include the systems, processes, analysis, and documentation to proactively manage the pipelines and facilities and ensure compliance with applicable standards and regulations. We dedicate a significant portion of our annual operating budget directly to integrity management activities to maintain safe and reliable operations.

Specific integrity activities for our pipelines and facilities include:

- > **Risk assessments**
- > **In-line inspection (“ILI”)**
- > **Integrity digs and repairs**
- > **Corrosion management**
- > **Leak detection**
- > **Geotechnical monitoring and mitigation**
- > **Cathodic protection**
- > **Facility equipment assessment and repair**
- > **Internal program and performance audits**

Proactive integrity management activities include geotechnical programs to manage slope instability and water crossings, extreme weather monitoring systems, training and competency management programs for staff and contractors, enhanced emergency response procedures and training exercises, and corrosion management for both internal and external corrosion threats.

Additionally, to ensure ongoing continuous improvement, and compliance with all our integrity programs, we conduct both voluntary and mandatory internal and external assurance activities. If we identify improvement opportunities, we develop and implement a corrective action plan.

2024 Performance

Pembina safely operates approximately 20,400 kilometers (“kms”) of hydrocarbon liquids and natural gas pipelines, and related facilities and infrastructure, across North America. Pipeline and facility inspections along with execution of preventative maintenance ensures safe and reliable operations. 2024 performance highlights include:

Reviewed and responded to
more than 33,000
planned ground disturbance
notifications related to our pipelines to
ensure that construction activities near our
pipelines were completed safely



Engaged with more than
100,000 external stakeholders,
in proximity of our pipelines, educating
them on our damage prevention program
and promoting pipeline safety



Inspected
6,494 km
of pipeline with
advanced in-line
technologies

Completed
2,736 facility equipment
and
1,798 piping circuit
inspections, including 16 facility
turnarounds/shutdowns for inspections

Completed
1,900
geohazard
inspections and
surveys

Conducted 378 integrity digs to evaluate potential pipeline damage



Technology Enabled Pipeline Inspection



Pembina uses the latest ILI technology to monitor the condition of our pipelines, including specialized tools to detect corrosion, cracking, geometry features, and strain throughout the network.



Pipeline and facility inspections follow an annual plan that is designed to meet a range of criteria including regulatory requirements, damage mechanisms, operating history, maintenance schedules, resource availability and overall risk assessment. As a result, the percentage of pipelines and facilities equipment inspected can vary significantly year to year. Specifically for pipelines, since some pipeline systems are much longer than others, total length (and therefore percentage) of pipeline inspected may also vary considerably from year to year. In 2024, 35% of hazardous liquids pipelines, 24% of natural gas pipelines and 20% of pressure equipment in facilities were inspected compared to 33%, 27% and 10% respectively in 2023.

As part of the Alliance/Aux Sable Acquisition, Pembina took over operatorship of 3,872 kms of pipelines and 2,500 pieces of facility equipment, and a primary focus in 2024 was integrating these assets into our IMPs. Specifically, we performed a gap assessment of the integrity and damage prevention programs and updated the programs as necessary to reflect the Alliance/Aux Sable assets.

In 2024, we executed several activities to improve the safety and reduce the environmental impact of our current and future operations, including:

- Completed external corrosion engineering assessments on storage tubes and executed six integrity digs as a proof of concept for the application of non-intrusive methodology for storage tube integrity assessments;

- Continued risk-based studies for our major facilities to optimize inspection and repair methodology and further improve our facility integrity maintenance practices;
- Proactively identified degradation in a vessel in our Redwater Fractionation Plant, as a result of our increased emphasis on corrosion under insulation inspection. As a result of our proactive efforts, we prevented a potential failure and plant outage; and
- Implemented the Land Use and Development Monitoring Program to proactively identify future developments as pipeline upgrades and maintenance work is planned and executed. In 2024, the program was rolled out to select municipalities to seek opportunities to share planning and pipeline information. The collaboration with municipalities ensures our pipeline RoW information is included in municipal planning and mapping, and provides a dedicated single point of contact for planning and development notifications for the community. Further, it allows Pembina to identify areas of current and expected development and consider practical options to mitigate potential impacts to our work. In 2025, we are focusing on outreach to the remaining municipalities identified as having future development in the vicinity of Pembina assets.

Looking Forward: 2025 & Beyond

Effective asset management is essential to our business and our commitment to public safety and environmental protection.

We will continue to diligently undertake assessment, management and continuous improvement actions and strategies. As part of our commitment to continuous improvement, we are:

- Completing the communication, roll-out, training and sign-off for the integrated Pembina and Alliance/Aux Sable damage prevention protocols and standards;
- Improving the third-party crossing application review process to streamline our intake, technical review and improve our ability for timely response to applications;
- Implementing a new air patrol management tool across Pembina’s system which will result in improved record retention, field follow-up and proof of compliance for activities discovered along the pipeline RoW; and
- Continuing Risk Based Inspection studies including phased implementation to all major facilities.

In addition to continuous improvement areas identified, we will undergo asset integrity management compliance and performance evaluations through both regulatory and self-audits.

Emergency Preparedness & Response

Analyst Corner

2024 Annual Information Form – Operational Risks
(pages 86-87)

Health, Safety & Environment Policy

Website - Responsible Asset Management



Our Approach

We responsibly manage the design, construction, operations, and maintenance of our assets to ensure safe and reliable business operations. As part of our risk management approach, Pembina has developed emergency response and business continuity plans to prepare for, mitigate against, and respond to, a variety of hazard scenarios. Our detailed Emergency Response Plans outline accountabilities and processes to execute the timely deployment of equipment, resources, and trained personnel. We implement a robust schedule of training and emergency response exercises to confirm our ability to respond safely and effectively. The success of this program requires commitment, training, and discipline to support business continuity, keep our communities safe, and minimize impact to the environment.

2024 Performance

As part of our focus on continuous improvement, we identify opportunities to enhance our emergency response capabilities.

In 2024, we continued the build out of our Regional Response Teams (“RRT”) and an Incident Technical Response Team (“ITRT”) by adding new members and exercising more complex scenarios. Pembina’s RRT’s are comprised of technical experts from across the company organized within three geographical areas. They are supported by a dedicated centralized team of subject matter experts responsible for the planning and execution of necessary response activities during a significant emergency. Establishing a dedicated team of responders enables team members to collaborate more frequently, building relationships, confidence, and trust in preparing for and responding to emergency events.

As part of our proactive approach to emergency response, in 2024, we conducted 149 emergency response training and exercise events, including six on water spill equipment deployment sessions, and 39 Initial Responder training sessions. Pembina also conducted three full-scale emergency response training exercises, one in each of our RRT geographic areas.

Initial Responder trainings focus on actions that first on scene Pembina responders undertake immediately following a confirmed emergency to ensure for the safety of responders and the public. Such steps include isolating the immediate area, completing emergency notifications, and the selection of appropriate personal protective equipment.

To further support response coordination in the event of a potential emergency, 48 Community Awareness and Emergency Response presentations were held with local Emergency Management officials and First Responders.



At Pembina, we recognize that preparedness and collaboration are the cornerstones of effective emergency and continuity management. In 2024, we conducted our largest and most integrated emergency management exercise in the United States to date. This exercise simulated a release into the Mississippi River near Rock Island, Illinois, testing our ability to respond to a complex incident threatening a large river system with adjacent wetlands, downstream communities, and industries. The event involved nearly 100 participants, bringing together federal, state, and local agencies, as well as key response contractors.



This full-scale exercise provided a unique opportunity for participants to build trust and strengthen relationships with agencies, including the US Environmental Protection Agency, Pipeline and Hazardous Materials Safety Administration, and US Coast Guard. Pembina also successfully hosted Emergency Management Agencies from four counties—Clinton, Scott, Whiteside, and Rock Island—through which our Cochin and Alliance pipelines pass. This collaboration not only enhanced the team's comfort level in working with external response personnel but also garnered positive feedback from all parties involved.

CPKC Safe Shipper Award

In 2024, Pembina's Redwater, Empress and Corunna Facilities were recognized with the Canadian Pacific Kansas City ("CPKC") Safe Shipper Award for safe shipping of regulated products. These awards recognize customers who load freight cars with dangerous goods and meet strict standards for the safe handling and shipment of products. Receiving this recognition speaks to the dedication of our teams to Pembina's core value of safe.

Spill Performance

In 2024, Pembina had zero significant¹³ pipeline releases and one 47 bbl reportable release from a flare stack carryover incident at a gas processing facility. Released volumes in 2024 were recovered through clean-up and remediation activities.

Indigenous Participation in Emergency Management

In 2024, we continued to increase Indigenous participation in our Emergency Management program by inviting nearby Nations and Metis Settlements to our exercises. These exercises ranged in scale from tabletop exercises to full-scale, multi-day events involving area operations, emergency management, and ITRT members. We were pleased to have Indigenous representation at several exercises throughout the year. For more details, see the Indigenous Engagement section of this report.

Looking Forward: 2025 & Beyond

In 2025, we will continue to strengthen our resilience in addressing threats, emergencies and business disruptions. Given the anticipated continuation of trends in extreme weather events and persistent cybersecurity threats across our industry, detailed planning and preparedness activities are more important than ever. We remain committed to improving our ability to respond effectively to these challenges and navigate the complex risks in today's business environment.

¹³ A significant spill is defined as a release of a commodity product that must be reported to an external agency or authority, such as a federal, provincial or state regulator, and that includes one or more of the following: a serious injury or fatality; an unintentional ignition or fire; a liquid release of greater than 8 m³ (50 barrels); a solids release (mineral concentrates and/or sulphur) of greater than 200 kilograms to land and/or any solids release (including mineral concentrates) to a body of water; or a rupture or breach of a pipe, tank, or containment.

Waste Management

Analyst Corner

Health, Safety & Environment Policy
Website - Responsible Asset Management

Our Approach

Minimizing waste is an important element of reducing our impact on the environment. We actively identify opportunities to treat, recycle or divert our waste.

Pembina’s waste is generated through the hydrocarbon processing, transportation and storage asset life cycles, including during construction, operations, maintenance, and closure of our operations. Non-hazardous waste generated from our operations includes materials consumed in facility operations and maintenance as well as domestic and construction wastes. Hazardous wastes include non-marketable hydrocarbon residuals, wastes generated from cleaning and maintenance of tanks and lines, solids produced by our wastewater treatment processes, and materials generated from site remediation. Pembina operates in jurisdictions within Canada and the U.S. where management of hazardous wastes is strictly regulated and we meet or exceed all regulatory requirements for the safe handling and disposal of hazardous waste.

To enhance life cycle tracking of waste, we participate in a waste receiver assessment program to review the performance of waste receivers. We use the information to guide our waste supplier management.

2024 Performance

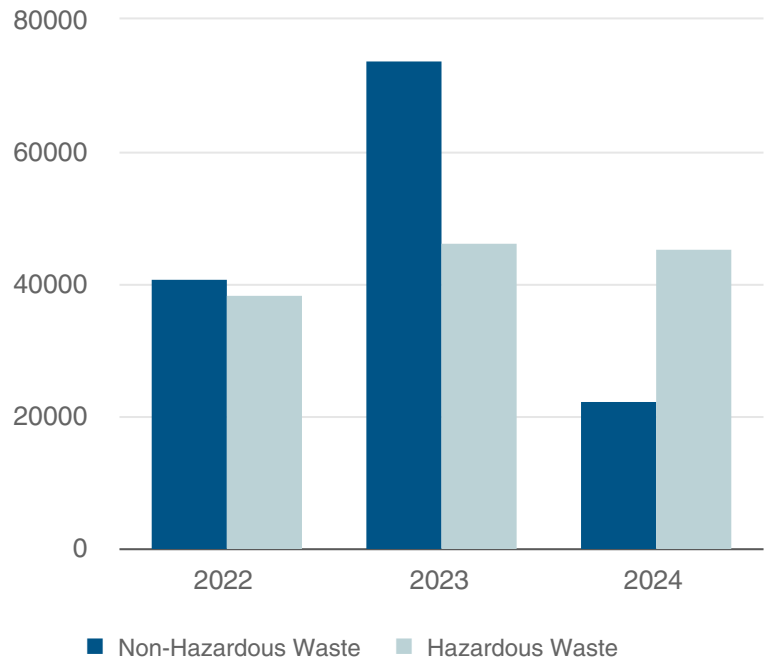
Non-Hazardous Waste

In 2024, our non-hazardous waste volumes decreased by 70%, primarily due to unusually high volumes in 2023 associated with the Alexis Remediation Project and the Northern Pipeline System release. Our non-hazardous waste volumes totalled 22,435 metric tonnes in 2024.

Hazardous Waste

Our hazardous waste volumes remained relatively consistent with 2023. Hazardous waste volumes are primarily driven by process waste from our Redwater facilities that is unable to be reused within other facility systems and is disposed of into injection wells.

Total Non-Hazardous & Hazardous Waste Generated
(000’s metric tonnes)



Looking Forward: 2025 & Beyond

Pembina continues to evaluate digital waste tracking tools to improve waste data management. In 2024, we continued to implement the pilot and understand challenges around eliminating paper manifests. Additionally, we undertook an assurance activity on the process and are currently reviewing the results and targeted actions as we evaluate a broader rollout to additional assets in 2025. We will also continue our broader efforts to minimize waste volumes and evaluate waste recycling and diversion opportunities in collaboration with our industry partners. As part of these efforts, we are currently evaluating opportunities to recycle facility waste streams for use in other industrial processes.

With the addition of the Alliance/Aux Sable processing facilities and other pipeline related infrastructure, one of our priorities in 2025 is to continue to support the integration of these assets into Pembina’s waste management processes. Our environmental protection plans outline our operating procedures and regulatory compliance obligations, including with respect to waste, and we continue to comply with applicable regulations. In 2025, we are providing additional information to operations staff on waste classification, which will improve our compliance reporting and provide potential operating cost savings.



Water Management

Analyst Corner

Health, Safety & Environment Policy
Website - Responsible Asset Management

Our Approach

Water is a precious and essential resource. Pembina strives to manage water usage responsibly and mitigate any potential impacts on water resources. Our goal is to return water back into the hydrologic cycle, where possible.

We adhere to strict regulations regarding water withdrawal and discharge, and only when we cannot return the water into the environment, do we send volumes to water treatment or disposal facilities. Across our operations, we follow an Environmental Management Program which dictates our water management practices and we comply with all requirements under our water licenses.

At Pembina, water is used in our operations for:

- › development and maintenance of salt caverns for hydrocarbon storage;
- › pipeline and facility construction;
- › facility process cooling;
- › facility boilers and process make-up; and
- › dust suppression.

As part of our life-cycle approach to water, we undertake various methods to responsibly manage the water we use.

Water Sourcing: Our operations teams carefully assess the potential impact of water sourcing on local communities and other stakeholders in the areas where we operate. We strive to minimize our use of freshwater, particularly in regions facing water scarcity. Our Aux Sable facility in Channahon, Illinois and our Redwater facilities in Redwater, Alberta are Pembina’s only withdrawal locations in areas identified as having high baseline water stress, according to the World Resources Institute Aqueduct Water Risk Atlas. Freshwater at Channahon is used as process water for cooling the fractionation facility. Freshwater at Redwater is used for cavern maintenance and freeze protection. We continue to monitor regional water conditions and are evaluating options to reduce water sourcing demand from local aquifers.

Water Reuse: Water reuse is an important part of Pembina’s approach to water management. We use water from our stormwater retention ponds for construction and road dust suppression rather than freshwater. Additionally, we work with some upstream customers to reuse produced water from our facilities for upstream drilling. This approach reduces Pembina’s water disposal and lowers our upstream freshwater use.

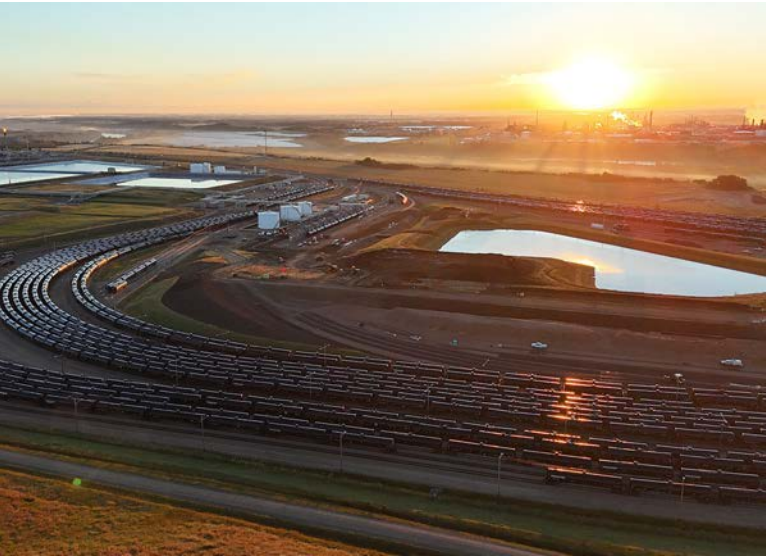
Water Disposal: Diversion of wastewater to disposal facilities results from two primary circumstances. The first occurs when high salinity brine forms during cavern washing and development and the brine volume exceeds the available storage. The second instance arises when water is removed from the gas provided by upstream producers during gas processing. In both cases, this wastewater contains high salinity and dissolved solids and is disposed of at licensed injection facilities to meet regulatory requirements.

Water Discharge: Before discharging water back into the environment, we perform appropriate water treatment and testing. Our water discharge includes both treated process cooling water and accumulated rainfall and snowmelt. At our Channahon and Vancouver Wharves facilities, we collect, treat and test water to ensure its quality meets regulatory discharge requirements. At our other facilities, we collect, test and manage but do not treat stormwater for discharge in accordance with applicable regulatory requirements.

Pipeline Hydrotesting

During construction, Pembina rigorously tests our pipelines to ensure they are safe and performing to design specifications before they are commissioned for operations. One way to do this is through hydrotesting, which involves filling the pipeline with water and pressurizing the pipeline to test for leaks or weaknesses.

Hydrotesting often requires Pembina to withdraw freshwater from nearby sources identified in consultation with local stakeholders and regulatory bodies. We obtain water use permits from the relevant authorities which include conditions on volumes, timing, and fish screening practices to minimize impacts to the environment. We then install temporary lines and pumps to withdraw the required amount of freshwater to support pressure testing. Once the hydrotest is complete, we test the water to ensure that it meets the required standards before it is released back into the environment. We use soil and water testing to ensure we return the withdrawn water without impacting the local environment. Overall, our process for hydrotesting is carefully planned and executed to ensure that the water is of high quality and is successfully returned into the regional hydrologic cycle.





2024 Performance

Water Withdrawal: In 2024, Pembina’s total water withdrawal was approximately 2.7 million m³ compared to approximately 2.8 million m³ in 2023. The majority of our 2024 water withdrawal volumes, approximately 2.1 million m³, are associated with process water for cooling our Channahon facility and process, cooling, and boiler water at the PGI Kaybob Amalgamated and Kaybob 3 gas plants.

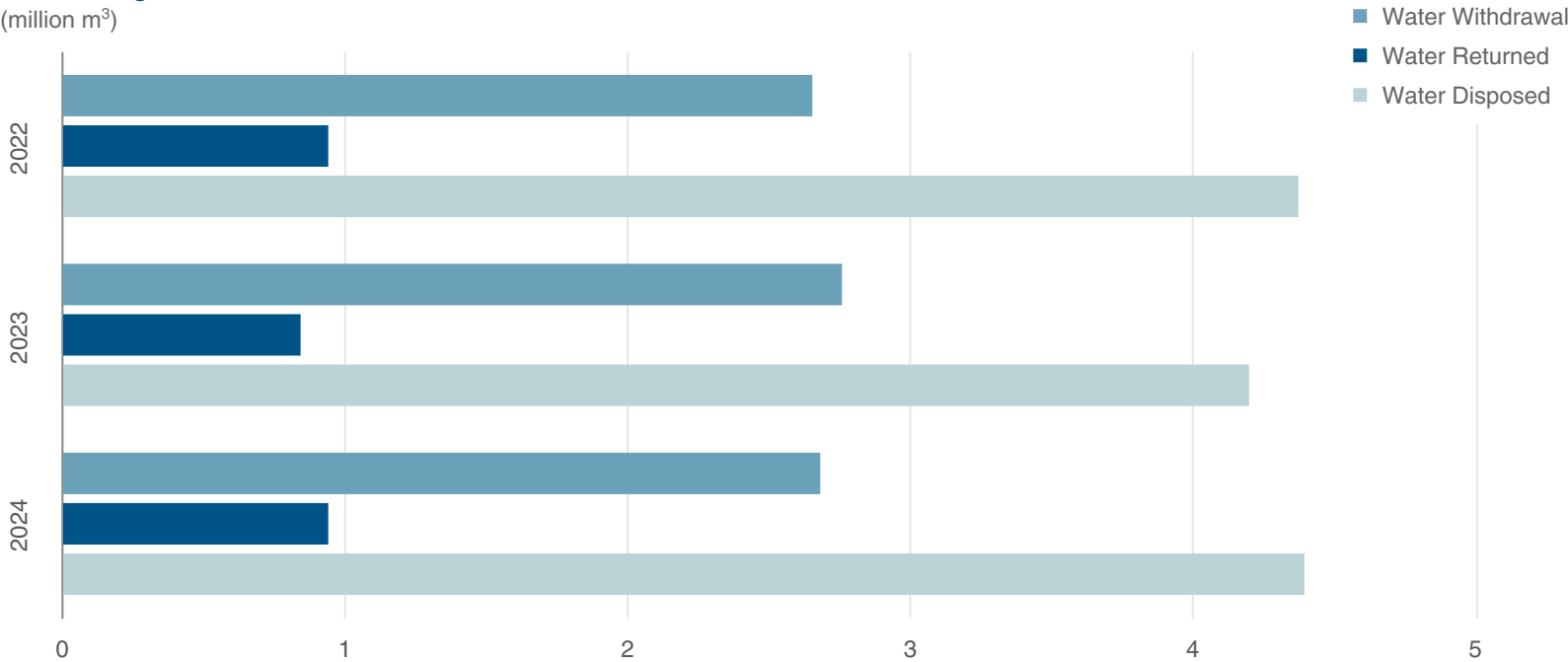
Water Disposal: Year-over-year disposal volumes increased by five percent to 4.4 million m³ compared to 4.2 million m³ in 2023. This increase is primarily due to higher amounts of produced water transferred to our Patterson Creek batteries, driven by increased drilling activity and higher volumes of produced water from gas processing at our Duvernay facility. Total water disposal volumes exceeded total water withdrawal volumes because of the large volumes of produced water removed during gas processing.

Water Consumed: Overall freshwater consumed in 2024 was 2.24 million m³, consistent with 2023 usage.

Water Returned: Water returned to the environment increased by 11% compared to 2023, resulting from annual variance in cooling requirements at our Channahon Facility as well as year over year changes in precipitation at Vancouver Wharves where rainwater is treated as part of our water treatment system.

Water Sourcing: In 2024, 44.9% of our total freshwater withdrawn and 47.3% of our total freshwater consumed was sourced from an area of high or extremely high baseline water stress, consistent with our water sourcing levels in 2023.

Water Management
(million m³)





Collaborating with Industry Partners on Water Reuse

In 2024, Pembina continued its collaboration with upstream producers on a water reuse initiative near Patterson Creek, Alberta. The objective was to replace freshwater used for production well drilling with produced water. On this basis, Pembina provided producers in the area with produced water from four of our gas processing batteries to support drilling operations. The water transfer avoided more than 7,000 m³ of freshwater withdrawal for our industry partners, while reducing Pembina’s total water disposal volumes. In addition to minimizing impacts to the natural environment, the initiative reduced costs, emissions, noise, and landowner impacts associated with trucking and treating water. We plan to continue this initiative in 2025 and beyond, including identifying additional opportunities to expand water re-use within our industry.

As we continue to look for additional ways to re-use water, in 2024 we expanded the use of storm pond water at our Redwater facility for road dust control and use by hydrovacs for onsite projects. Without this initiative, we would have had to purchase potable water and transport it from the county. Similarly, at our Resthaven facility, storm pond water replaced potable water from Grande Cache for use in combo units to wash infrastructure.

Through a separate partnership, Pembina collaborated with industry partners to transfer contaminated storm pond water for industrial re-use. This initiative avoided 1,100 m³ of contaminated water from being disposed of.



Pembina River Watershed - Water Quality Sampling Program

In 2022, Pembina entered into an \$80,000 partnership to establish a Water Quality Sampling Program in the Pembina River Watershed with the Athabasca Watershed Council (“AWC”). The AWC undertakes watershed reporting, watershed management planning, and aquatic and shoreline monitoring while bringing together stakeholders and partners to conduct outreach activities on watershed science in Alberta.

Over the last two years, with the support of Pembina’s funding, this sampling program has been instrumental in providing valuable water quality data that has greatly benefited stakeholders, including local and downstream municipalities and water management authorities.

In 2024, Pembina extended our commitment to watershed management with a \$90,000 two-year partnership to continue the Water Quality Sampling Program to better understanding water quality in the Pembina River Watershed and inform watershed management opportunities in this and other downstream water bodies.

Looking Forward: *2025 & Beyond*

We continue to evaluate opportunities to reduce and reuse water where possible in our operations.

Our environmental protection plans outline our operating procedures and regulatory compliance obligations, including with respect to water use and withdrawal, and we continue to operate within the limits of our water licenses. Additionally, Pembina plans to continue efforts to improve our water data management practices, including water consumption, reuse, and disposal. To identify potential opportunities for future water reuse and reduction initiatives, we are undertaking more frequent monitoring and analysis of our water usage data.

Biodiversity & Land Use

Analyst Corner

2024 Annual Information Form – Abandonment Costs (page 94-95)

2024 Annual Report - Abandonment Costs (page 58)

2024 Annual Report - Decommissioning Provision (page 105, 128)

Health, Safety & Environment Policy

Website - Responsible Asset Management

Task Force on Nature-related Financial Disclosures ("TNFD")



Our Approach

Pembina is committed to land conservation and minimizing the impact of our operations on the land.

We recognize the importance of protecting the abundance and diversity of plants and wildlife. We are also committed to conserving the social and cultural values of land and aquatic resources for Indigenous Peoples and local communities. We do this through detailed assessment, planning, and ongoing monitoring of the impacts that our projects and operations have on plants, wildlife, and aquatic species, as well as through our ongoing efforts to reclaim and restore lands affected by our operations.

As part of our life-cycle approach to land management and biodiversity, we focus on the following:

Stakeholder engagement: We conduct early, meaningful, and ongoing engagement with local communities and other stakeholders to facilitate dialogue throughout the development of our assets, from pre-construction through to final reclamation. As part of our commitment to local communities and Indigenous Peoples, we foster relationships that allow us to learn, build trust, and understand stakeholder perspectives, including addressing wildlife and biodiversity concerns. Our engagement with Indigenous communities recognizes the profound relationships that Indigenous People have with the land on which we operate. Refer to the Indigenous and Community Engagement section of this report for more information.

Environmental assessment and planning: During the planning phase for new projects, Pembina conducts baseline assessments on vegetation, wildlife, and aquatic environments. Qualified professionals conduct aerial and on-the-ground wildlife assessments to identify sensitive wildlife features such as bear dens, migratory bird and raptor nests and amphibian habitat. Where watercourse crossings or marine

infrastructure are required, aquatic habitat assessments and marine mammal and fish surveys are conducted to inform planning and mitigation or compensation activities.

Managing species of concern: We are committed to protecting sensitive or rare habitats and species, and where threatened, at-risk, or endangered species are identified, we work with regulatory bodies, landowners, and stakeholders to avoid or mitigate our impact.

Habitat restoration and enhancement: We undertake a robust process to restore lands impacted across the three phases of construction, operations and decommissioning:

➤ **Construction phase:** Once construction is complete, Pembina begins reclamation work on disturbed lands including RoWs to restore them to their prior land capability. In non-agricultural areas, we focus on natural recovery to reduce the potential of introducing invasive plant species into an area. For agricultural lands, we collaborate closely with landowners, with an aim to return the land to production within two growing seasons.

In the years following construction, Pembina actively monitors revegetation success and conducts follow-up reclamation where areas of erosion or changes in vegetation growth are identified. At the end of the second growing season, a third-party assessment of the RoW is conducted to verify reclamation success and support reporting to regulatory bodies where required.

➤ **Operations:** During operations, we undertake periodic vegetation management along RoWs to minimize integrity risk and maintain access. In areas of habitat recovery for species of concern, we adapt our practices to help maximize available habitat and reduce lines-of-sight for predators.

➤ **Decommissioning:** Upon decommissioning of an asset, we work diligently to return the site to original land equivalency.

Managing Our Impact on Biodiversity

Wildlife Management Plans are implemented across our operations to address risks to species of concern and to outline planned mitigations.

When wildlife or sensitive habitat features are identified, Pembina’s approach is to use a mitigation hierarchy to minimize potential environmental impacts, as follows:

- 1. **Avoidance:** Steps are taken to design facilities and pipelines in locations that avoid sensitive habitat or direct disturbance to wildlife. Examples include the placement of pipelines or marine infrastructure outside of rare habitats, breeding grounds, or migration routes.
- 2. **Minimization:** Where habitat or indirect disturbance cannot be avoided, measures are taken to reduce the duration, intensity and/or extent of impacts. Examples include timing restrictions to avoid breeding or nesting seasons or building wildlife corridors into project design.
- 3. **Reclamation/Restoration:** The aim of restoration is to improve degraded or removed ecosystems following impacts that cannot be completely avoided or minimized. Restoration attempts to return an area to the original ecosystem to support the plants and animals that were present before impacts.
- 4. **Habitat Enhancements/Offsets:** Offsetting is a non-net loss or net-gain approach to compensate for any residual, adverse impacts after full implementation of the previous three steps of the mitigation hierarchy. Examples include undertaking fish habitat enhancement upstream of river crossings or undertaking land restoration/rehabilitation work on degraded lands outside of Pembina’s operating footprint.

Indigenous Participation in Taylor to Gordondale

During 2024, we conducted field work in Alberta and British Columbia for a proposed federally regulated pipeline project. As part of this work, a comprehensive archaeological assessment was carried out across the proposed project area by Pembina's certified third party environmental firm. Many Indigenous communities contributed members to the field crews for several months during the summer and fall. These community members worked alongside other team members, conducting ground testing to search for cultural artifacts.



Pileated Woodpecker

During the environmental assessment and planning phase for a pipeline RoW in June 2024, our wildlife sweep identified a pileated woodpecker nest. When we encounter sensitive wildlife features such as nests, our practice is to avoid any direct disturbance. In this case, we bored under the area to protect the nest, allowing us to avoid any impact to the woodpecker, and the project to proceed. Finding innovative solutions to safeguard wildlife habitats is aligned with our values and represents a key part of our approach to responsible asset management.

2024 Performance

Land Use

As a result of our planned capital growth and safety programs, the work completed by our pipeline construction and integrity management teams resulted in 63 hectares of new disturbance. This disturbed land will be reclaimed as part of Pembina’s comprehensive land reclamation program. Overall, our total pipeline footprint¹⁴ increased 25% compared to 2023 due to the Alliance/Aux Sable Acquisition.

Reclamation

In 2024, Pembina completed reclamation on 641 hectares of pipeline RoWs, and an additional 1,273 hectares remains in progress. This equates to approximately 3.5% of our total land base under active reclamation. In addition to pipeline reclamation, we also make investments to assess, abandon, and reclaim inactive well sites. In 2024, we completed reclamation activities on four inactive well sites in



¹⁴ Pipeline footprint is defined as lands containing Pembina's pipeline RoWs.

Alberta. Since 2013, Pembina has reduced our overall inventory of inactive well sites from 127 to 29, and in 2024 we returned nine hectares of reclaimed well site lands to landowners. We are currently forecasting reclamation certificate closure of the remaining 29 well sites by the end of 2030, subject to environmental consultations and regulatory approvals.

In 2024, we prioritized gathering site-specific information to support risk-based approaches to planning future closure efforts for our remaining well sites, abandoned facilities and historical spill sites. By understanding the unique conditions of each site, we apply a risk-based methodology to design targeted remediation programs that help minimize delays in achieving site closure.

Protecting the North Saskatchewan River



In 2024, Pembina completed a revetment upgrade along the North Saskatchewan River bank to provide erosion protection at three pipeline crossings. Due to the steep slope and the limited workspace at the bottom of the slope, we set up a temporary workspace at the top of the embankment within the boundaries of a local golf course. To protect the soil from compaction in the temporary workspace, we used rig matting with geotextile materials to prevent sedimentation and the spread of invasive weeds. To avoid damaging the established vegetation and minimize equipment movement on the slope, we used a crane to transport materials from the top to the bottom. Our approach helped reduce the risk of erosion and sedimentation, while preserving vegetation by reducing the project’s footprint. These measures ensured the natural integrity of the site was maintained throughout the project.

Supporting a Sustainable Future

This year, Pembina continued our ongoing commitment to build a more inclusive and sustainable future.

Project Forest, a key community partner for Pembina, will receive \$1.5 million over the next three years to support partnerships with Indigenous communities, conservation groups, corporations, and private landowners to rewild local landscapes and convert under-utilized land or non-productive agriculture land to lush forest.

Project Forest is taking concrete and innovative steps to make a difference for the environment and for Indigenous Nations across Western Canada,” says Sean Wilson, Pembina’s Vice President, External Affairs. “Our partnership will enable Project Forest to further its reach and impact and is an example of how Pembina supports a sustainable future and builds mutually beneficial relationships with Indigenous communities.”

Project Forest’s focus on working with Indigenous communities extends to learning what ecological reconciliation means to each community. Planting diverse forests protects and repairs the environment, and using culturally and medicinally important plants also supports community health and well-being.

Project Forest in Action

Pembina’s partnership with Project Forest began in 2021 and since then, through yearly funding commitments, we have made a direct and lasting positive impact in Western Canada.



In 2024, Pembina supported:

Doig River First Nation Rewilding project: This project is working to rewild land within the Doig River First Nation in northeast British Columbia, planting over 115,000 trees and plants.

Siksika First Nation Community Shelterbelt Program: This multi-year partnership between Project Forest and Siksika First Nation focuses on planting shelterbelts around the homes, communities, and agricultural fields on Siksika Nation.

Wihnemne School Forest: The Wihnemne School Forest is a partnership between Project Forest and Paul First Nation to create a food and medicine forest and shelterbelt for the students of Paul First Nation’s school.

University of Alberta Research Forest: Project Forest and the University of Alberta’s Ecosystem-based Forest Management Lab are planting an experimental forest near Peace River, Alberta to better understand how forests are being impacted by our changing climate.

For more details on community investment at Pembina, see the Community Investment section of this report.

Looking Forward: 2025 & Beyond

With increasing stakeholder interest in loss of biodiversity and the impacts of our business on the environment, Pembina is actively reviewing the recommendations of the TNFD released in 2023, to inform our biodiversity strategy, management processes, and future disclosure practices.



Cybersecurity & Data Privacy

Analyst Corner

2025 Management Information Circular - Cybersecurity (page 37)
2024 Annual Information Form – Cybersecurity (page 97-98)
NIST Cybersecurity Framework



Our Approach

Information technology and data protection are essential to Pembina’s business operations. As a result, cybersecurity and data privacy are critical business priorities for our company.

Cybersecurity and data privacy are managed by our Information Services team reporting into our Senior Vice President & Corporate Services Officer with ultimate oversight by the Board.

Through our Security, Information Management and Privacy Policies we are committed to protecting the availability, confidentiality and integrity of our information. In that context, we manage and maintain the accuracy and security of personal information in accordance with applicable laws and regulations.

Cybersecurity is part of our OEMS and is supported by a robust program for identifying and mitigating cybersecurity risks and enhancing the skills and capabilities of our people, processes and technology. This program consists of policies, standards, procedures and guidelines. Our cyber risk identification process detects potential risk through third-party risk assessment, maturity analysis, penetration testing, among other tactics, and assigns corrective action and oversight to the appropriate leader. Our programs align to the National Institute of Standards and Technologies Cybersecurity Framework (“NIST CSF”), a recognized best practice framework for managing cybersecurity.

There are three core components to our cybersecurity and data privacy approach:

1 Governance

- Adherence to cyber best practices and measurement of success; and
- Routine training and testing of the workforce on cyber risks and appropriate actions.

2 Risk and Compliance

- Focus on evolving regulatory requirements and management of our third party and supply chain risks;
- Vulnerability and risk assessments performed on a regular basis utilizing both internal resources and external service providers; and
- Assurance that the architecture, processes and controls are in place within our Operational Technology and Information System assets.

3 Security Operations

- Continuous monitoring to identify potential vulnerabilities, irregular or threat activities, as well as global trends and incidents;
- Maintaining infrastructure security through network architecture that separates our business and operational assets;
- Automated response capabilities for cyber-attacks; and
- Ongoing maintenance of cyber technology platforms and incident response activation capabilities.

2024 Performance

In 2024, we continued to advance our program across our three core components including:

Governance

- Continued execution of our five-year plan based on our 2021 third-party NIST CSF assessment. This plan focuses on asset management, identity management, supply chain risk management and incident response to ensure we remain aware of and aligned with evolving industry standards and regulations.
- Through several third-party assessments in 2024, Pembina continued to show continuous improvement in maturity; keeping up with evolving threats and aligning to regulatory updates.

Risk & Compliance

- Conducted five technical incident response simulations across the company and included participation from our crisis management teams to ensure we are prepared for how to respond in the event of a breach.

- Integrated the additional assets acquired as part of the Alliance/Aux Sable Acquisition into our operational field asset register and ensured their alignment with Pembina’s Cybersecurity standards.
- Completed cyber risk assessments, third-party incident response tabletop exercises and internal and external audits throughout across the business, covering select corporate and operational field assets.

Security Operations

- Enhanced our security operation platforms and services reducing the time to detect and respond to threats.
- Continued automation and enhancements of data to support detection and response capabilities.
- Matured the identify and access management platform to ensure coverage of human and non-human identities are managed appropriately and within both Pembina and regulatory guidelines.

Looking Forward: 2025 & Beyond

We remain vigilant and committed to ensuring our policies, standards, procedures and controls adapt to the ever-evolving cybersecurity and data privacy threats and laws.

Our focus areas include continuing to mature and evolve cybersecurity within our operational field assets, incident prevention through ongoing education and awareness training for our employees and enhancing our incident response management to limit the impact of a potential breach to the organization. In advancing our focus areas, we look to:

- Progress our five-year plan from our previous NIST CSF assessment;
- Continue maturity and alignment with a “Zero Trust” philosophy;
- Rollout of the operational technology cyber program that covers people, processes and technologies; and
- Enhance our governance program to track risks and corrective actions.

Cybersecurity Risk Oversight

4 Number of times senior leadership formally briefed the Board and/or Board Committees on cybersecurity matters¹⁵

5 Number of directors with technology, systems, and data management skills¹⁶

Cybersecurity Risk Management¹⁷

Cybersecurity training and compliance program implemented



¹⁵ For the period January 1, 2024 to December 31, 2024.

¹⁶ As of the date of this report.

¹⁷ As at December 31, 2024.

Indigenous & Community Engagement

Pembina acknowledges and respects those who have inhabited lands and waters since time immemorial. We recognize the profound relationships that Indigenous Peoples have with the land on which we operate and we are committed to entering into lasting and mutually-beneficial relationships with all Indigenous Peoples affected by our operations.

Our commitment to invest in the communities in which we operate is a cornerstone of Pembina’s approach to sustainability. We understand the important role we play as neighbours and are committed to giving back in ways that improve people’s lives and contribute to lasting, positive social change.

Employees volunteered more than
5,600
hours

Increased operations and maintenance spend with Indigenous vendors by
50%



Made a multi-year commitment of over
\$5 million
to three transformative community partnerships

Supported nearly
400
organizations in our operating areas

Indigenous Engagement

Analyst Corner

2025 Management Information Circular (page 40)

2024 Annual Information Form – Indigenous Engagement (page 58-59)

2024 Annual Information Form – Indigenous Land Claims and Consultation Obligations (pages 100-101)

Indigenous & Tribal Relations Policy

Learnings from Indigenous Stories and Perspectives

Website – Indigenous Engagement



Our Approach

Our Indigenous and Tribal Relations Policy continues to govern how we approach our engagement with Indigenous and Tribal communities, recognizing and respecting the spirit and intent of the United Nations Declaration on the Rights of Indigenous Peoples as a framework for Reconciliation within the context of the Canadian Constitution, existing laws and jurisprudence on Indigenous and treaty rights. Our five-year Indigenous Engagement Strategy, launched in 2022, is focused on four directions:



1. Cultural Appreciation

Providing Indigenous cultural awareness training and educational opportunities for Pembina leaders and employees, while recognizing there are many distinct Indigenous communities and Tribes with unique languages, cultures, traditions, rights, priorities and protocols.

2. Lifecycle Alignment

Building, maintaining and formalizing long-term relationships with Indigenous and Tribal communities near our projects and operations, and embedding Indigenous inclusion and engagement in governance, internal policies, standards and processes for decision making.

3. Economic Reconciliation

Supporting equitable access to jobs, training and education opportunities, and working with Indigenous communities to gain long-term sustainable benefits from economic development projects. This also ensures procurement opportunities are available to Indigenous contractors within Pembina’s asset areas.

4. Community Development

Creating long-term community relationships and collaboratively identifying sustainable partnerships based on community needs and opportunities in alignment with Pembina’s community investment pillars.

2024 Performance

In 2024, we continued to advance all four directions of our Indigenous Engagement Strategy.

Cultural Appreciation

- 1. Pembina’s Board received cultural awareness training, with a focus on the history of Indigenous Peoples in Canada, and an emphasis on Pembina’s path to reconciliation.
- 2. The Indigenous Inclusion Network, established in 2023 is a group of Indigenous and non-Indigenous employees focused on fostering a diverse and inclusive work environment that supports the professional growth, development, and well-being of employees at Pembina. In honour of National Day for Truth and Reconciliation, the Network achieved a collaboration milestone with Indigenous colleagues coming together from across the business and service units for the first time. This provided a unique opportunity for Indigenous employees and allies to learn from each other on topics of allyship, economic reconciliation, and Cedar LNG. A special musical performance by members of Pembina’s Indigenous Engagement team, set the tone for a day of inspiration and collaboration. For more details, see the Employee Well-Being and Culture section of this report.



- 3. As part of Pembina’s partnership with Métis Crossing, we provided \$150,000 in funding to support the re-establishment of bison as the keystone species on their land base, and to support regeneration of the natural prairies grasslands, in partnership with The Nature Conservancy of Canada. In 2024, Pembina had the opportunity to send employees from across the business to participate in an Executive Cultural Awareness Retreat at Métis Crossing, located near Smoky Lake, Alberta. Foundational content for the retreat was licensed from the University of Alberta’s Faculty of Native Studies “Indigenous Peoples and Canada” course, and enhanced with multiple immersive Métis experiences, fireside chats with Métis knowledge holders and unique Indigenous cuisine. In November 2024, 14 employees from across Pembina’s operating areas took part in the three-day retreat, expanding their knowledge of Indigenous Peoples and participating in hands on experiences as they learned about Métis people and the vibrant history at the Crossing and beyond.

Lifecycle Alignment

In 2024, operational engagement continued to be a focus, building and sustaining relationships with Indigenous and Tribal communities in our operating areas. Pembina laid the groundwork to expand participation from Indigenous communities in our Emergency Management Exercises. Refer to the Emergency Preparedness and Response section of this report for more information.

Economic Reconciliation

Pembina’s operations and maintenance spend with Indigenous vendors saw an increase of 50% compared to 2023 due to focused engagement with local field offices and Indigenous communities to communicate Pembina’s business needs and align these needs to Indigenous businesses. We have also implemented “Call Lists” of vendors for each district or plant facility/office, which promotes the utilization of Indigenous companies and partnerships across Pembina’s operations.

Community Development

At Pembina, we are committed to supporting Indigenous communities through investing in opportunities that promote Indigenous values, support spiritual, social and economic well-being, and advance reconciliation and self-determination.



DiscoverE, a program driven by engineering students out of the University of Alberta, creates excitement and interest in engineering for under-represented groups, including Indigenous youth, through strategic, focused, and meaningful high-impact programs. STEM camps bring the engineering curriculum off-campus in unique ways - allowing Indigenous youth to explore different aspects of engineering right in their community. Camp attendees learn engineering, science and technology concepts through exciting hands-on projects and demonstrations while being mentored by University of Alberta students.

We proudly supported DiscoverE with a \$160,000 donation in 2024, which supported STEM camps in Indigenous communities across Alberta. The impacts of this investment included camps being hosted at Paul Band First Nation, Alexis Nakota Sioux Nation, Duncan’s First Nation and Sturgeon Lake Cree Nation. Pembina’s support covered all aspects of camp planning/programming, staff travel to the community, and delivery of the camp free of cost to participants. It also covered daily transportation for campers along with breakfast, lunch, and snacks for the entire week. Employee volunteers from across our operations helped to prepare for the summer camps at the University of Alberta and hosted BBQs at Paul Band First Nation, Duncan’s First Nation and Sturgeon Lake Cree Nation.

Looking Forward: 2025 & Beyond

In 2025, we will continue to advance our five-year Indigenous Engagement Strategy, including the following initiatives:

> **Indigenous Participation in Emergency Management**

Historically, Indigenous communities have been invited to observe and provide feedback throughout emergency management exercises. Looking ahead to 2025, we are increasing Indigenous participation in these exercises. We are planning to partner with local Indigenous communities to assist with the planning and execution of select full-scale exercises in our operating areas. Pembina will be collaborating with these Indigenous communities to incorporate Indigenous knowledge more fulsomely into our response for the exercise. The collaboration will also better inform Pembina’s approach to economic development opportunities and resources in the event of an actual emergency in the future. All of which strengthens the foundations of our relationships with the Indigenous communities in our operating areas and furthers Pembina’s commitment for reconciliation.

> **2025 Learning from Indigenous Stories and Perspectives**

In 2023, Pembina was proud to publish our first ever “Learning from Indigenous Stories and Perspectives.” We are currently developing the second release of this publication.

> **Alliance Operational Engagement**

As part of our continued focus on engaging with Indigenous communities in our operating areas, Pembina will be expanding our engagement efforts to cover the geographic expansion of our operating areas, resulting from the Alliance/Aux Sable Acquisition. These engagement efforts will be carried out throughout 2025 as we look to establish new relationships with the Indigenous communities in these areas.

> **Truth and Reconciliation Commission of Canada’s Calls to Action**

Pembina is exploring opportunities to broaden our alignment to other recommendations from the Truth and Reconciliation Commission of Canada’s Calls to Action. Our commitment extends further than Call to Action 92, and Pembina will continue to collaborate with the Indigenous communities in our operating areas to learn how we can more fulsomely support their unique priorities and initiatives on our path to reconciliation.



Community & Stakeholder Engagement

Analyst Corner

2025 Management Information Circular (page 34-35)
2024 Annual Information Form – Community Engagement (page 58)
Community Relations Policy
Website - Community Engagement



Our Approach

Pembina’s approach to community investment is guided by tailored engagement with each community.

This approach enables us to better understand what the people and communities surrounding our operations value and how we can best work together. We conduct early, meaningful and ongoing engagement to understand community goals and then identify how partnerships and social investments – financial or otherwise – can support them.

Three key pillars guide our Community Investment Strategy, ensuring a balanced approach to decision making. These pillars are aligned with our overall corporate strategic priorities and are integrated into all six of our material sustainability focus areas. The three pillars to our Community Investment Strategy are:

1 Strong Indigenous Communities

Our goal is to work alongside Indigenous and Tribal communities to promote Indigenous values, support spiritual, social and economic well-being, and advance reconciliation and self-determination.

2 Safe, Inclusive, and Connected Communities

Our goal is to ensure communities are safe, inclusive places where all members have equal access to opportunities, services and spaces that foster a strong sense of belonging. Thriving local economies provide everyone with opportunities to succeed.

3 A Sustainable Future

Our goal is for communities, government and industry to work together to protect the natural environment for future generations. Citizens benefit from a sustainability-driven economy that improves energy and environmental outcomes and contributes to local economic prosperity.



Through our focus on these three pillars, we aspire to create resilient, thriving communities by supporting initiatives that matter to the community and connecting employees to the communities where we work and live.

At Pembina, we expect our community partners and the events and initiatives we support and participate in will establish secure and respectful environments in harmony with our values and principles of safe, trustworthy, respectful, collaborative and entrepreneurial.

We support our employees and amplify their charitable efforts through our employee giving program called PATH (“Pembina Actions That Help”), which includes volunteer opportunities and rewards programs, donation matching, and employee giving campaigns. Giving back is a core part of our culture and we believe that supporting causes that matter to employees and communities creates positive social impact and significant value for all our stakeholders.

2024 Performance

In 2024, Pembina’s total community investment of \$12.1 million supported nearly 400 organizations across our operations.

This represents a five percent increase compared to 2023, largely due to increases in direct cash investments linked to the Alliance/Aux Sable Acquisition and corresponding expansion of our Community Investment Program. We contributed an additional \$500,000 to support our operating communities through Aux Sable, PGI and various joint venture partnerships.

To enhance our Community Investment Strategy and create a differentiated experience for stakeholders in 2024, we focused on more impactful and financially meaningful investments. Pembina committed \$5.175 million over three years to three major partners, collaborating closely to address their needs, strengthen operations, foster innovation and build capacity.

We also focused on meaningful giving at the local level. Local Community Action Teams were empowered to support the giving opportunities that mattered most in their communities. Employees from across our operations took part in the program, representing the interests of the communities where they live and work.



¹⁸ Pembina’s Employee Giving Campaigns include employee, retirees, Board members and other individual and business donations along with Pembina’s match.
¹⁹ During this year’s Calgary employee giving campaign, we shifted our strategy to emphasize employee engagement through education and volunteering rather than focusing on donations. This resulted in a decrease in overall financial contributions.

Over \$5 million committed to transformative community partnerships

Breakfast Club of Canada:
\$2.125 million to support breakfast programs at 100 schools in underserved communities across our operations.

Project Forest:
\$1.5 million to support rewilding projects across Western Canada and to provide the necessary resources to grow the organization’s reach and impact.

Women Building Futures:
\$1.55 million to support signature programs like the Power Engineer Career Accelerator and Journey to Trades, as well as customized Indigenous programming to meet the needs of individual communities.

Pembina employees in the community

For over 38 years, Pembina has proudly supported annual employee giving campaigns¹⁸, and in 2024, raised an outstanding \$2.4 million.

One of these campaigns was a collaboration between our Redwater and Sherwood Park teams, who rallied together to raise over \$350,000 for the Stollery Children’s Hospital Foundation, helping fund vital care, research, and equipment for children across Alberta.

Michelle Addo, Analyst in Production Quality at Sherwood Park, shared her perspective:

Giving is not only about monetary or physical donations, it is equally about empathy, understanding, time, effort and the willingness to make a positive impact.

In Calgary, we launched the PATH Days campaign, to focus on employee participation in the PATH program and our partnerships with Breakfast Club of Canada, Project Forest, United Way of Calgary and Area, and Women Building Futures. Each organization joined us for a celebration event, offering employees the chance to connect through innovative micro-volunteering opportunities. We saw an increase in employee involvement throughout this campaign compared to previous years¹⁹.

Continuing our commitment to volunteerism, Pembina employees volunteered a total of 5,620 hours during work time in 2024, reflecting the deep dedication our teams have to making a meaningful impact.

Breakfast Club of Canada

Breakfast Club of Canada (“BCC”) offers children across Canada the support to reach their full potential by starting each school day with nutritious food.

In 2024, Pembina proudly extended our multi-million dollar partnership with BCC, contributing \$2.125 million over the next three years. This renewed commitment builds on our eight-year history of supporting breakfast programs across our operations, aligning with our goal of fostering safe, inclusive and connected communities.

Caring for children and supporting organizations dedicated to their well-being, like BCC, strengthens our communities and is an investment in a better, brighter future. I’ve seen firsthand the impact BCC has in schools and I’m proud that Pembina can help them to continue their incredible work

Jaret Sprott, Chief Operating Officer and BCC volunteer



In the 2023/24 school year, Pembina supported over 100 school breakfast programs across our operating areas with BCC. Our partnership also creates meaningful volunteer opportunities, with Pembina employees volunteering over 1,000 hours with BCC since 2016.

In Corunna, Ontario, the Pembina team serves breakfast every Friday morning, taking turns pitching in to help out. Mike Edgar, Manager, East NGL, shared, “BCC is one of our favourite programs here in Corunna. When you talk to children that need this support, it is quite a humbling and emotional experience. Knowing that we are making a positive difference in their lives is very uplifting and I am grateful to have opportunities to see this need and be able to do something about it.”

Flipping pancakes as part of BCC is also a popular volunteer activity in Prince Rupert, British Columbia. For the past three years, Pembina employees have been avid volunteers at local breakfast programs. Craig Hilton, Manager, Prince Rupert Terminal explained, “Many local children go to school without a nutritious start to their day, and it is a real privilege to help this cause and see the significant difference that it makes to children’s lives.”



Looking Forward: 2025 & Beyond

Pembina looks forward to continuing to support the work of our community partners, in alignment with the significant funding commitments made in 2024. We are grateful for the opportunity to work with organizations that share our aspirations to support Indigenous and Tribal communities, promote safety, equity and inclusion and encourage a sustainable energy future.

In 2025 we will continue to integrate the Alliance/Aux Sable Acquisition into our Pembina Community Investment Strategy and support meaningful local giving through our Community Action Teams across our operating areas.

We remain focused on maintaining high engagement in our PATH program by offering donation matching and easily accessible and meaningful volunteer opportunities that support our employees in their commitment to giving back to the communities where we live and work.



Data Tables

& Appendices

ESG Performance Tables¹

Activity Metrics

Physical Throughput		Units	2024	2023	2022
Total Throughput	2	Barrel of oil equivalent	1,139,828,528	1,103,912,793	1,084,637,946
Pipeline Transportation					
Total Kilometres of Liquids Pipelines		Kilometres	14,651	14,399	N/C
Total Kilometres of Natural Gas Pipelines	3	Kilometres	5,643	1,891	N/C

1.

Use of N/C in these data tables signifies that the content is a new metric for Pembina and historical values have not been calculated or reported.
2.

Total Throughput for 2024 includes a full year of volumes resulting from the Alliance/Aux Sable Acquisition, with 2022 and 2023 figures also revised to account for the Acquisition. Refer to the Energy Transition & Climate Data Table Footnote 2 for further information.
- The 3% increase in Total Throughput from 2023 to 2024 was primarily due to a full year of operations for assets affected by the 2023 wildfires and the full year operation of the Nipisi pipeline.
3.

The Total Kilometres of Natural Gas Pipelines increased in 2024 compared to 2023 as a result of the Alliance/Aux Sable Acquisition, adding approximately 3,800 kilometres of natural gas pipelines.

Governance

Total Economic Value Generated and Distributed	1	Units	2024	2023	2022
Direct Economic Value Generated	2,3,4	\$millions	4,776	3,973	4,275
Direct Economic Value Distributed	2,5				
Operating and General & Administrative Expenses	2,6	\$millions	662	639	671
Employee Wages and Benefits	7	\$millions	576	486	479
Total Tax Paid	2,8	\$millions	527	312	406
Payments to Providers of Capital	2,9	\$millions	2,217	2,066	2,427
Community Investments	10	\$millions	9	7	7
Income Taxes Paid					
Canadian Income Taxes Paid	11	\$millions	368	225	330
U.S Income Taxes Paid	12	\$millions	36	11	4
Competitive Behaviour					
Political Contributions		\$millions	0.005	0.000	0.005

1. The Total Economic Value Generated and Distributed section accounts for all Pembina entities excluding equity accounted investees. “Equity accounted investees” means Pembina’s working interest in PGI, Alliance Pipeline, Aux Sable, Grand Valley I Limited Partnership, Fort Corp, Cedar LNG and Alberta Carbon Grid. On April 1, 2024, Alliance and Aux Sable were fully acquired as a result of the Alliance/Aux Sable Acquisition and on the same day the accounting changed from the equity method of accounting to being fully consolidated and incorporated into Pembina’s financial results.

2. The terms are non-GAAP financial measures as they are financial measures that are not specified, defined or determined in accordance with GAAP. Please refer to the “Non- GAAP and Other Financial Measures” section of this document for additional information regarding these non-GAAP measures. This report also refers to certain other terms commonly used to satisfy sustainability reporting requirements. These terms are not necessarily used by Pembina in the management of business.

3. Direct Economic Value Generated represents net revenue. Together with Direct Economic Value Distributed, these metrics indicate the value created for stakeholders. Direct Economic Value Generated increased compared to 2023 primarily due to the acquisition of controlling ownership in Alliance and Aux Sable, higher volumes in the Pipelines and Facilities Divisions, improved NGL margins, and positive contractual adjustments. These increases were partially offset by lower revenue from risk management and physical derivative contracts, as well as lower power costs and lower tolls on the Cochin Pipeline.
4. In 2024, Pembina voluntarily changed its accounting policies to record all unrealized and realized gains and losses from the settlement of physical and financial derivative instruments, as well as foreign exchange-related financial derivative instruments, on a net basis. These changes were applied retrospectively.

5. Direct Economic Value Distributed includes operating and general and administrative costs, employee wages and benefits, total tax paid, payments to providers of capital and community investments. Together with Direct Economic Value Generated, these metrics indicate the value created for stakeholders.

6. Operating and General & Administrative Expenses includes operating expenses plus general and administrative expenses less personnel expenses, property taxes, and community investments. This metric is included within Direct Economic Value Distributed. The increase compared to 2023 is largely due to the Alliance/Aux Sable Acquisition, in which Pembina acquired a controlling ownership interest in Alliance, Aux Sable, and NRGreen on April 1, 2024. Prior to the Alliance/Aux Sable Acquisition, the results of these assets were included in share of profit.

7. Employee Wages and Benefits includes salaries and wages, share based compensation, short-term incentive plans, pension plans and other employee benefits. This metric is included within Direct Economic Value Distributed.
8. Total Tax Paid includes current income taxes and property taxes. This metric is included within Direct Economic Value Distributed. The increase compared to 2023 is due to higher property taxes and higher tax instalments for both Canadian and U.S. income taxes.

9. Payments to Providers of Capital includes dividends paid, interest paid and repurchase of common share costs. This metric is included within Direct Economic Value Distributed. The increase compared to 2023 is due to higher dividends paid and higher interest paid due to a combination of additional borrowing following the Alliance/Aux Sable Acquisition and higher interest rates. These increases were partially offset by no common share repurchases in 2024.

10. Community Investments include direct cash investments in the reporting period to support initiatives within the communities where we operate, excluding joint ventures ACG, Alliance/Aux Sable prior to April 1, 2024, Cedar LNG, Chinook Pathways and PGI. This metric is included within Direct Economic Value Distributed. The increase compared to 2023 is primarily due to the Alliance/Aux Sable Acquisition and corresponding expansion of our Community Investment Program.

11. Current Canadian income taxes paid. Values have increased from 2023 due to 2023 tax impacts of transferring entities to a new jointly owned entity which resulted in higher 2024 instalments.

12. Current U.S. income taxes paid. Values have increased from 2023 due to higher monthly instalments in 2024.

Energy Transition & Climate

Climate Change Management	1,2	Units	2024	2023	2022
Total Scope 1 GHG Emissions	3,4,5	Tonnes of carbon dioxide equivalent	4,492,231	4,435,172	4,484,536
Methane (CH4)	6	Tonnes of carbon dioxide equivalent	198,903	202,612	200,066
Methane GHG Emissions as % Scope 1 GHG		Percentage	4	5	4
Scope 1 GHG Covered Under Emissions-Limiting Regulation	7	Percentage	68	87	82
Total Scope 2 GHG Emissions (Market-based)	8	Tonnes of carbon dioxide equivalent	1,080,764	1,183,873	1,354,773
Total Scope 2 GHG Emissions (Location-based)	9	Tonnes of carbon dioxide equivalent	1,225,774	1,250,703	N/C
Scope 1 & 2 GHG Emissions Intensity	10	Tonnes of carbon dioxide equivalent per barrel of oil equivalent	0.00489	0.00509	0.00538
Scope 1 GHG Emissions Breakdown	2				
Scope 1 GHG Emissions - Stationary Combustion		Tonnes of carbon dioxide equivalent	3,811,093	3,792,534	3,867,359
Scope 1 GHG Emissions - Flaring		Tonnes of carbon dioxide equivalent	571,052	536,303	454,047
Scope 1 GHG Emissions - Venting		Tonnes of carbon dioxide equivalent	49,081	48,336	114,657
Scope 1 GHG Emissions - Other		Tonnes of carbon dioxide equivalent	61,006	57,998	48,474
Scope 2 GHG Emissions (Market-based) Breakdown	2				
Scope 2 GHG Emissions - Purchased Heat		Tonnes of carbon dioxide equivalent	36,425	35,093	34,213
Scope 2 GHG Emissions - Purchased Electricity	11	Tonnes of carbon dioxide equivalent	1,066,416	1,144,576	1,320,560
Scope 2 GHG Emissions - Carbon Offset Retirements	12	Tonnes of carbon dioxide equivalent	(26,085)	N/C	N/C
Scope 3 GHG Emissions	13				
Scope 3 GHG Emissions - Fuel and Energy Related Activities	14	Tonnes of carbon dioxide equivalent	862,182	585,843	557,011
Scope 3 GHG Emissions - Waste Generated in Operations	15	Tonnes of carbon dioxide equivalent	47,502	72,322	50,362
Scope 3 GHG Emissions - Business Travel	16	Tonnes of carbon dioxide equivalent	1,442	1,537	460
Scope 3 GHG Emissions - Employee Commuting	17	Tonnes of carbon dioxide equivalent	11,601	11,927	9,642
Scope 3 GHG Emissions - Upstream Leased Assets	18	Tonnes of carbon dioxide equivalent	3,230	1,753	3,471
Scope 3 GHG Emissions - Investments	19	Tonnes of carbon dioxide equivalent	198,091	198,091	205,427
Energy Use					
Total Electricity Consumption	20	Gigawatt hours	2,737	2,443	2,704
Air Quality	21				
NOx Emissions	22	tonnes	7,309	7,872	7,284
SOx Emissions		tonnes	8,414	8,134	5,952
Volatile Organic Compounds (VOCs)	23	tonnes	4,817	4,562	4,906
Particulate Matter (PM10)		tonnes	383	393	383

1.

Pembina has selected the Operational Control approach to define our organizational boundaries for GHG reporting. This includes all material sources and sinks associated with facilities, pipelines, and corporate operations that are in direct operational control by Pembina and Pembina subsidiaries.

2.

Our base year recalculation policy is to recalculate base year emissions for any significant structural changes resulting from major acquisitions, divestment and mergers that meet our significance threshold of ±15% of Base Year Scope 1+2 emissions. In 2024, as a result of the Alliance/Aux Sable Acquisition, Pembina acquired 100% ownership and operational control of Alliance, adding more than 15% to Base Year Scope 1+2 emissions. Accordingly, values reported for Total Scope 1 GHG Emissions, Methane (CH4), Scope 1 GHG Emissions Breakdown, Total Scope 2 GHG Emissions (both Market-based and Location-based), Scope 2 GHG Emissions (Market-based) Breakdown, Total Throughput and Scope 1 & 2 GHG Emissions Intensity have been restated for 2019 and updated for 2022 and 2023. Due to data availability, all other metrics for years 2022 and 2023 have not been adjusted for the Alliance/Aux Sable Acquisition, unless otherwise stated. Further, 2019 GHG re-baseline assurance was performed on select metrics as part of the 2024 GHG assurance process. Refer to our third-party 2024 GHG Assurance Statement on our website for more information.

3.

Scope 1 emissions sources include stationary combustion equipment, fugitive emission leaks, flaring, incineration, venting, refrigerant usage and mobile equipment operated by Pembina. Immaterial sources of emissions from physical and chemical processing, construction activities and non-routine events such as emissions from spills are excluded from reported emissions.

4.

Scope 1 emissions are calculated using operational activity data (e.g. fuel consumption data from meters, measured survey data and engineered estimates) multiplied by an operationally derived or applicable regulated default emission factor. Energy consumption used to quantify Scope 1 emissions includes all types of fuels consumed by Pembina operations, including natural gas, diesel, gasoline, propane and jet fuel. Fuel consumption is based on a combination of third-party supplier invoices, meter readings, and system generated reports.

5.

Pembina participates in the following applicable regulated emissions reporting programs: Environment and Climate Change Canada Greenhouse Gas Emissions Reporting Program, British Columbia Greenhouse Gas Industrial Reporting and Control Act, Alberta Specified Gas Reporting Regulations, Alberta Technology, Innovation and Emission Reduction Regulations (TIER), Saskatchewan Management and Reduction of Greenhouse Gases Regulations and Standards, Ontario Greenhouse Gas Emissions Reporting (O Reg. 390/18) and the US Environmental Protection Agency 40 CFR Part 98 Reporting Regulations.

6.

Beginning in 2023 and to align our reported metrics with recognized reporting frameworks, Pembina now reports methane emissions in metric tonnes of carbon dioxide equivalent using the Global Warming Potentials (GWPs) values from the IPCC's Fifth Assessment Report (AR5). Our 2022 reported methane emissions were calculated using the AR4 GWP value.

7.

Emissions-Limiting Regulations include carbon taxes or an emissions trading system (e.g. Alberta TIER regulations effective 2020).

Scope 1 GHG Covered Under Emissions-Limiting Regulation decreased in 2024 compared to 2023 primarily due to the Alliance/Aux Sable Acquisition where due to the addition of Alliance, a larger proportion of total emissions are now generated in the U.S. for which there are no emissions-limiting regulation.

8.

Total Scope 2 GHG Emissions (Market-based) are from purchased and imported electricity, hydrogen, and heat sources that derive emissions factors from the underlying contractual instruments and are reduced by carbon offset retirements. Pembina uses market-based reporting where facility specific emission factors are available. Due to the lack of data availability for some assets for contractual energy purchases to calculate facility specific emission factors, market-based emissions are considered equal to location-based emissions for those assets.

Emissions have decreased by 9% compared to 2023 due to the advancement of our market-based approach which uses available market sources in our quantification, incorporating carbon offset retirements, and the decarbonization of electricity grids, primarily in Alberta.

9.

Total Scope 2 Emissions (Location-based) are from purchased and imported electricity, hydrogen, and heat consumption. Scope 2 emissions are calculated using location-based grid emission factors from the most recent Environment and Climate Change Canada's National Inventory Report (NIR) for Canadian facilities, U.S. Environmental Protection Agency's Emissions & Generation Resource Integrated Database (eGRID) for US facilities and Alberta Environment and Parks TIER benchmark emission intensity factor for imported heat medium and hydrogen.

10.

Scope 1 & 2 GHG Emissions Intensity has decreased by 3.9% compared to 2023 with a cumulative reduction of 9.9% against the 2019 adjusted baseline. While the combined Total Scope 1 and Total Scope 2 (Market-based) emissions decreased by 0.8% in 2024, emissions intensity reductions were further amplified by increased Total Throughput in 2024 resulting from a full year of operations for assets affected by the 2023 wildfires and the full year operation of the Nipisi pipeline.

11.

Scope 2 GHG Emissions - Purchased Electricity decreased compared to 2023 due to further advancing our market-based approach by using more market available sources in our quantification and the decarbonization of electricity grids, primarily in Alberta. This was partially offset by an increase in electrical consumption.

12.

Carbon Offset Retirements are linked to existing renewable power purchase agreements and the attributes were calculated based on the retirement of these emissions offsets in 2024. All carbon offset retirements were managed through the Alberta Emissions Offset Registry.

13.

The calculation of Scope 3 GHG Emissions relies on best available data and is determined using various assumptions and estimates. In 2024, we further refined our methodology to enhance the accuracy of reported metrics. Unless otherwise indicated, historical data for 2023 and 2022 have not been updated.

14.

Scope 3 GHG Emissions - Fuel and Energy Related Activities represent the upstream emissions associated with the extraction, production, and transportation of fuels consumed by Pembina. These emissions are estimated using the volume of fuel, the amount of electricity, heat and hydrogen consumed and purchased as well as location-specific upstream emission factors.

The increase in 2024 compared to 2023 is due to the Alliance/Aux Sable Acquisition and the associated increase in fuel and electricity consumption by Alliance and better quality data.

15.

Scope 3 GHG Emissions - Waste Generated in Operations include emissions from the transportation and processing of waste generated. In 2024, we refined our quantification methodology to differentiate waste stream emissions by treatment method. 2023 was updated to reflect these updates and 2022 was not updated due to limited data availability.

The decrease in 2024 compared to 2023 relates to overall reductions in waste generation primarily due to the completion of the Alexis pipeline remediation project in 2023.

16.

Scope 3 GHG Emissions - Business Travel includes business travel that is estimated based on supplier data.

17.

Scope 3 GHG Emissions - Employee Commuting uses GHG and transportation data from municipalities, which are used to calculate the employee commuting emissions for office-based staff. Field employee commuting emissions are also included as part of this calculation.

18.

Scope 3 GHG Emissions - Upstream Leased Assets represents emissions associated with the company corporate headquarters. Calculations for this metric utilize data that are provided by the building lessor. Pembina's field offices are considered under operational control and are included in our scope 1 and 2 emissions calculations.

The increase in 2024 compared to 2023 is due to an increase in Pembina's leased office space in Calgary, Alberta.

19.

Scope 3 GHG Emissions - Investments represents Pembina's joint venture assets not operated by Pembina, including non-operated assets under PGI. Due to data availability constraints at the time of our current year reporting, 2023 data was used as an estimate.

Due to the Alliance/Aux Sable Acquisition, Alliance is no longer a joint venture and is now controlled and operated by Pembina. As such, Alliance is no longer included in this category and is now included in our scope 1 and 2 emissions for 2024. 2022 and 2023 have also been updated.

20.

Total Electricity Consumption includes invoiced amounts from utility providers. This includes floating as well as UFE (Unaccounted for Energy) and line losses where indicated.

The increase in 2024 compared to 2023 is due to the Alliance/Aux Sable Acquisition and the associated increase in electrical consumption by Alliance.

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The increase can also be attributed to the 2023 Northern Pipeline system outage and 2023 wildfires which impacted volumes and associated power consumption. Additionally, the start-up of the Phase VIII Peace Pipeline Expansion resulted in an increase in electricity consumption in 2024.

- 21. Total Air Quality emissions for 2024 include a full year of emissions resulting from the Alliance/Aux Sable Acquisition, with 2022 and 2023 figures also updated.
- 22. NOx Emissions decreased in 2024 compared to 2023 due to methodology refinements which increased the accuracy of reported NOx.
- 23. VOCs include emissions from air releases, offsite transfer of waste, chemical usage, spill incidents and material handling.

The increase in 2024 compared to 2023 is primarily due to methodology refinements which increased the accuracy of reported VOCs and increases in tank throughput and fugitive emissions.

Employee Well-Being and Culture

Total Employees (U.S. & Canada)	1	Units	2024	2023	2022
Full-Time Employees	2	Number	2,933	2,761	2,602
Part-Time Employees	3	Number	64	76	67
Total Employees	4	Number	2,997	2,837	2,669
New Hires	5	Number	370	503	630
Contractors	6	Number	448	433	1,371
Gender Inclusion (U.S. & Canada)					
Women on the Board	7	Percentage	45	50	45
Women in Executive Leadership	8	Percentage	40	38	35
Projected Groups by Jurisdiction	9				
Canadian Workforce	10				
Women in the Workforce		Number	735	678	628
% Women in the Workforce		Percentage	27	26	26
Women in Managerial Positions		Percentage	28	29	28
Indigenous Peoples	11	Number	136	126	115
Persons with Disabilities	12	Number	43	24	20
Visible Minorities	13	Number	403	388	339
U.S. Workforce	14				
Women in the Workforce (U.S.)		Number	33	N/C	N/C
% Women in the Workforce (U.S.)		Percentage	12	N/C	N/C
Women in Managerial Positions (U.S.)		Percentage	11	N/C	N/C
Persons with Disabilities (U.S.)		Number	4	N/C	N/C
Racial & Ethnic Minorities (U.S.)	15	Number	20	N/C	N/C
Veterans (U.S.)		Number	6	N/C	N/C

Employee Well-Being and Culture

Employee Retention (U.S. & Canada)	16	Units	2024	2023	2022
Turnover Rate, Total	17	Percentage	8	8	9
Turnover Rate, Voluntary	18	Percentage	4	5	6
Age Demographics (U.S. & Canada)	19				
Employees Aged 50+		Percentage	28	27	27
Employees Aged Between 30 and 49		Percentage	62	63	63
Employees Aged Under 30		Percentage	10	10	10

1. The Total Employees metrics include personnel in all locations in Canada and the U.S.

2. Full-Time Employees includes all full-time, permanent employees and employees on long-term disability as of December 31, 2024. The Board of Directors are exempt.

3. Part-Time Employees includes all fixed term (temporary) and part-time employees as of December 31, 2024.

4. Total Employees includes all fixed term (temporary), permanent employees and employees on long-term disability as of December 31, 2024.

5. New Hires includes all fixed term (temporary) and permanent new hire employees in the reporting year.

6. The Contractor definition is aligned to Pembina's contingent worker definition to reflect individual workers and exclude 'Other Contracted Services Suppliers', such as global consulting firms, from the total number of contractors. This change in definition occurred in 2023.

7. Women on the Board includes Board members who are women, represented as a percentage of total independent directors.
8. The Executive Leadership team includes our officer team as well as vice presidents in Canada and the U.S.

9. The Projected Groups by Jurisdiction metrics are self-disclosed by employees and pertain to permanent employees in the applicable jurisdiction.

10. The Canadian Workforce metrics pertain to permanent employees in Canada. Total permanent employees in Canada in 2024 was 2,679.

11. The number of Indigenous Peoples has increased in 2024. This change likely reflects progress attributable to our EDI strategy and an increase in employee self-disclosure. In Canada, Indigenous Peoples are reported separately from Visible Minorities.

12. The number of Persons with Disabilities has increased in 2024. This change likely reflects progress attributable to our EDI strategy and an increase in employee self-disclosure.

13. The number of Visible Minorities has increased in 2024. This change likely reflects progress attributable to our EDI strategy and an increase in employee self-disclosure.
14. The U.S. Workforce metrics are self-disclosed by employees and pertain to permanent employees in U.S. Total permanent employees in the U.S. in 2024 was 268.

15. In the U.S., American Indians and Alaska Natives are included in racial and ethnic minorities reporting.

16. The Employee Retention metrics represent all permanent employees in Canada and the U.S.

17. The Total Turnover Rate represents all terminations for permanent employees in Canada and the U.S.

18. The Voluntary Turnover Rate represents all voluntary resignations and retirements for permanent employees in Canada and the U.S.

19. The Age Demographic metrics represent all permanent and fixed term (temporary) employees in Canada and the U.S.

Health & Safety¹

Workforce Health and Safety		Units	2024	2023	2022
Fatalities	2				
Employee (Fatalities)		Number	0	0	0
Contractor (Fatalities)		Number	0	0	1
Total Recordable Injury Frequency (TRIF)	3				
Employee (TRIF)	4	Rate	0.32	0.38	0.33
Contractor (TRIF)		Rate	1.44	1.55	1.29
Combined (Employee & Contractor TRIF)	5	Rate	0.68	0.77	0.67
Near Miss Frequency Rate (NMFR)	6				
Employee (NMFR)	7	Rate	2.70	2.22	2.67
Contractor (NMFR)	8	Rate	2.68	3.58	2.57
Combined (Employee & Contractor NMFR)	7,8	Rate	2.69	2.68	2.64
Preventable Motor Vehicle Incident Frequency (MVI)	9				
Employee (MVI)		Rate	0.96	1.00	0.73
Contractor (MVI)	10	Rate	1.05	0.67	0.74
Combined (Employee & Contractor MVI)	10	Rate	1.00	0.83	0.73
Serious Injury or Fatality (SIF)	11				
Employee (SIF Actual)	12,13	Rate	0.03	0.00	0.00
Contractor (SIF Actual)	14	Rate	0.00	0.07	0.14
Combined (Employee & Contractor SIF Actual)	12,13,14	Rate	0.02	0.02	0.05
Employee (SIF Potential)		Rate	0.00	0.00	0.04
Contractor (SIF Potential)	15	Rate	0.20	0.27	0.34
Combined (Employee & Contractor SIF Potential)	13,15	Rate	0.06	0.09	0.14
Process Safety Incidents					
Tier 1 Process Safety Incidents	16,18	Number	4	3	3
Tier 2 Process Safety Incidents	17,18	Number	15	4	8

1. Our Safety metrics include our Canadian and U.S. workforce.

2. A Fatality is a death resulting from a work-related injury/illness.

3. TRIF is the number of recordable injuries per 200,000 hours of work.

4. Employee (TRIF) decreased by one injury in 2024 compared to 2023. In 2024, employee recordable injuries were mainly due to overexertion and the use of hand tools. There was also one serious injury due to a motor vehicle incident - see Footnote 12.

5. Combined (TRIF) improved in the reporting period resulting from improved employee and contractor performance and higher general activity levels.

6. A Near Miss is an incident where no loss was sustained, but given a slight shift in position or time, damage, injury, or other loss could have occurred. Near Miss Frequency Rate (NMFR) is the number of near miss incidents per 200,000 hours of work, tracked as part of our Safety Program. It is an important leading indicator to manage occupational safety incidents.

7. Employee (NMFR) increased in 2024 due to increased reporting and higher general activity levels.

8. Contractor (NMFR) decreased in 2024 primarily due to fewer occupational safety-related near misses being reported and was partially offset by an increase in inspections of contractor activities. We continue to focus on leading safety metrics to improve our Contractor safety performance.
9. MVI rate is the number of preventable incidents per 1,000,000 kms driven.

10. Contractor MVI increased in 2024 as a result of five events that were primarily low speed (<20 km/h) contact events with other parked vehicles or stationary objects. In 2025 we are reinforcing our culture of safety through our 'Commit to Safety' campaign that will focus on further underscoring the importance of commitment to safety at an individual employee and contractor level, including safe driving.

11. SIF Actual (SIF) is a fatality or injury that is either life threatening or life altering. SIF Potential (pSIF) is an event that could have led to a fatality or injury that is either life threatening or life altering. Pembina's SIF metrics include the number of actual or potential events per 200,000 hours of work.

12. There was one actual Employee SIF event in 2024 resulting from a motor vehicle incident compared to zero events in 2023.

13. Pembina continues to focus on SIF reduction through application of leading metrics, conducting focused safety inspections and a renewed emphasis on personal accountability through our 2025 'Commit to Safety' campaign.

14. There were zero actual Contractor SIF events in 2024 compared to one in 2023.
15. There were three potential Contractor SIF events in 2024 compared to four in 2023.

16. Tier 1 events are unplanned and uncontrolled commodity releases that result in either greater consequences and/or higher release volumes. These incidents may result in a serious injury, an officially declared community evacuation or shelter in place order, a fire or an explosion. Our reporting of Tier 1 incidents is guided by API RP754, an industry wide standard.

17. Tier 2 events are unplanned and uncontrolled commodity releases with lesser consequences or release volume. These incidents may result in a minor injury or a fire or an explosion that is easily contained and extinguished with minimal damage. Our reporting of Tier 2 incidents is guided by API RP754, an industry wide standard.

18. Tier 1 and Tier 2 Process Safety Incidents increased in part due to improved awareness and reporting, as well as the expansion of our asset base.

Responsible Asset Management

Asset Management		Units	2024	2023	2022
Pipeline Repairs and In-Line Inspections	1				
Natural Gas Pipelines Inspected	2	Percentage	24	27	6
Hazardous Liquid Pipelines Inspected		Percentage	35	33	34
Spill Prevention & Mitigation					
Incidents (Spills, Releases and Significant Failures)					
Number of Reportable Pipeline Incidents	3	Number	1	5	5
Significant Reportable Pipeline Incidents	4	Percentage	0	20	40
Accident Releases from Rail Transportation	5	Number	0	0	0
Non-Accident Releases from Rail Transportation	6	Number	0	0	1
Hydrocarbon Spills					
Hydrocarbon Spills	7	Number	1	5	4
Aggregate Volume of Hydrocarbon Spills	8	Barrels	47	269	933
Volume of Hydrocarbon Spills in Arctic	9	Barrels	0	0	0
Volume of Hydrocarbon Spills in Sites with High Biodiversity Significance	10	Barrels	0	0	0
Volume of Hydrocarbon Spills Recovered	11	Barrels	47	268	925
Waste Management	12				
Total Waste (Non-Hazardous + Hazardous)					
Total Non-Hazardous Waste	13	Metric tonnes	22,435	74,001	40,874
Total Hazardous Waste		Metric tonnes	45,595	46,453	38,457
Total Waste Generated	13	Metric tonnes	68,030	120,454	79,331
Waste to Disposal (e.g., Landfill, Incineration)					
Non-Hazardous Waste (Excluding Produced and Process Water)	13	Metric tonnes	18,864	70,787	38,305
Hazardous Waste (Waste Disposal)		Metric tonnes	44,856	45,852	37,882
Total Waste to Disposal	13	Metric tonnes	63,721	116,639	76,186

Responsible Asset Management

Waste Diversion (e.g., Recycled, Treatment)		Units	2024	2023	2022
Non-Hazardous Waste Diversion	14	Metric tonnes	3,571	3,214	2,569
Hazardous Waste Diversion	15	Metric tonnes	738	601	576
Total Waste Diversion	14,15	Metric tonnes	4,309	3,815	3,145
Water Management					
Total Water Withdrawal		million m³	2.683	2.760	2.660
Total Water Disposed (i.e., Regulated Disposal Facility or Deep Injection Well)	16	million m³	4.399	4.200	4.381
Total Water Returned to the Environment	17	million m³	0.942	0.847	0.945
Total Fresh Water Consumed		million m³	2.239	2.280	2.044
Percentage Fresh Water Withdrawn from Regions with High or Extremely High Baseline Water Stress	18	Percentage	44.9	44.5	N/C
Percentage Fresh Water Consumed from Regions with High or Extremely High Baseline Water Stress	18	Percentage	47.3	44.3	N/C
Land Use & Restoration					
Terrestrial Land Area Disturbed	19	Hectares	36,638	29,402	29,567
Impacted Area Restored	20	Percentage	2	2	6
Percent of Land Base Reclaimed	21	Percentage	96.5	N/C	N/C
Biodiversity					
Land Owned, Leased and/or Operated within Areas of Protected Conservation Status or Endangered Species Habitat	22	Percentage by land area	0.5	0.6	0.6

1. Pipeline inspections follow an annual inspection plan that is designed to satisfy a range of criteria including regulatory requirements, operating history, maintenance schedules, resource availability and overall risk assessments. As a result, the percentage of pipelines inspected can vary year to year.

2. Assets acquired as part of the Alliance/Aux Sable Acquisition were mostly gas assets, increasing the number of natural gas pipelines included in our inventory for inspection. As a result, the overall percentage of pipelines inspected decreased. We are focused on the integration of our assets that were acquired as part of the Alliance/Aux Sable Acquisition into our various integrity management programs.
3. Reportable Pipeline Incidents includes reportable spills, releases of any volume or substance and significant failures from a pipeline. In 2024 we had one reportable pipeline incident resulting in a release of ethane from leaking valves during pipeline commissioning.

4. A Significant Incident is defined as a release of a commodity product from a pipeline that must be reported to an external agency or authority, such as a federal, provincial, or state regulator and that includes one or more of the following: a serious injury or fatality; an unintentional ignition or fire; a liquid release of greater than 8m³ (50 bbls); or a rupture or breach of a pipe, tank or containment. This metric represents the percentage of reportable incidents that were significant.
5. Accident Releases from Rail Transportation includes all releases of hazardous material from a derailment, collision or other rail-related accident that is required to be reported to regulatory or governmental agencies.

6. Non-Accident Releases from Rail Transportation include all unintentional releases of a hazardous material while in transportation, including loading and unloading while in railroad possession that is not caused by a derailment, collision or other rail-related accident.

7. Number of Hydrocarbon Spills provides focus on hydrocarbons versus spills of other materials. A spill is defined as reportable, greater than one barrel in volume, includes those that reach the environment (soil or water), and excludes those that were contained within impermeable secondary containment. In 2024 we had one spill as discussed under Aggregate Volume of Hydrocarbon Spills.

8. Aggregate Volume of Hydrocarbon Spills provides focus on hydrocarbons versus spills of other materials. A spill is defined as reportable, greater than one barrel in volume, includes those that reach the environment (soil or water) and excludes those that were contained within impermeable secondary containment. In 2024 there was one reportable spill that was due to a flare liquid carryover event.

9. Volume of Hydrocarbon Spills in Arctic is not applicable to Pembina's operations.

10. Volume of Hydrocarbon Spills in Sites with High Biodiversity Significance measures if a hydrocarbon spill occurred in a drinking water or ecological resource area or specific species habitat area. A spill is defined as reportable, greater than one barrel in volume, includes those that reach the environment (soil or water), and excludes those that were contained within impermeable secondary containment. Sites With High Biodiversity Significance is a SASB definition that is currently applicable to U.S. assets and operations only.

11. Volume of Hydrocarbon Spills Recovered reflects the hydrocarbon volume that was removed from the environment following a spill. Released volumes in 2024 were recovered through clean-up and remediation activities.

12. Waste data is collected for both solid and liquid sources. Liquid waste is converted from m³ to metric tonnes using available data when known or at 1:1 ratio for disposal volumes with unknown densities.

13. The decrease in Non-Hazardous Waste from 2023 to 2024 was primarily due to a one-time removal of approximately 50,000 metric tonnes of contaminated debris and soil from the Alexis pipeline remediation and re-route project in 2023.
14. The increase in Non-Hazardous Waste diverted from 2023 to 2024 was due to a major turnaround at our Redwater facilities. We continue to evaluate opportunities to divert waste from landfills.

15. The increase in Hazardous Waste diverted from 2023 to 2024 was primarily due to a major turnaround at our Redwater facilities and the disposal of large lead-acid filled batteries from our Redwater facilities.

16. The increase in Total Water Disposed from 2023 to 2024 is due to higher produced water volumes transferred to our Patterson Creek Batteries from increased drilling activity and higher produced water volumes from gas processing at our Duvernay facility. Total water disposal volumes are higher than total water withdrawal volumes due to high volumes of produced water removed during gas processing.

17. The increase in Total Water Returned to the Environment from 2023 to 2024 can be attributed to the annual variance in cooling requirements at our Channahon facility as well as year over year increases in precipitation at Vancouver Wharves where rainwater is treated as part of our water treatment system.

18. Our Aux Sable facility in Channahon, Illinois, and our Redwater facilities in Redwater, Alberta are classified as being located in areas of high baseline water stress, according to the updated August 2023 iteration of the World Resources Institute Aqueduct Water Risk Atlas. At Channahon, fresh water is utilized as process water for cooling the fractionation facility, while at Redwater, it is used for cavern washing and freeze protection. Previously, only the Channahon facility was identified as being in a high-stress area; however, our 2023 data has been revised to include Redwater to align with the updated Aqueduct Water Risk Atlas.
19. Terrestrial Land Area Disturbed increased from 2023 to 2024 due to the Alliance/Aux Sable Acquisition.

20. Impacted Areas Restored reflects the proportion of Pembina's total disturbed area that has been restored in the reporting period. Restoration activity on constructed pipelines is deemed to be complete five years after construction is complete and the pipeline is put into service. Reported 2024 values reflect the restoration of 100% of the disturbed areas associated with 356 km of newly constructed pipelines that were put into service in 2019.

21. Percent of Land Base Reclaimed represents the proportion of our total operating area that has completed active reclamation. At Pembina, recently constructed pipelines are deemed to be fully 'reclaimed' within five years growing season after the completion of construction. As such, the proportion of land under active reclamation in 2024 is from projects that disturbed land during the 2020-2024 period. As of end of year 2024, 96.5% of Pembina's land requiring reclamation had been reclaimed, with 3.5% still under active reclamation.

22. The calculation includes disturbed lands that overlap with parks and protected area and lands identified as habitat for endangered species (e.g., Ord's Kangaroo Rat); both rely on publicly available information. The decrease from 2023 to 2024 is due to the increase in land area from the Alliance/Aux Sable Acquisition.

Indigenous & Community Engagement

Indigenous Engagement	1	Units	2024	2023	2022
Indigenous Spending	2	\$millions	107.0	103.0	58.5
Indigenous Communities Engaged for Services	3	Number	48	37	36
Indigenous Suppliers Utilized	4	Number	108	99	93
Community & Stakeholder Engagement					
Community Investment					
Cash Investments	5,6	\$millions	8.9	7.4	6.9
In-Kind Investments	6	\$millions	0.220	0.270	0.033
Organizational Stakeholder Giving	7	\$millions	1.9	2.7	3.0
Employee Time During Work Hours	8	\$millions	0.34	0.33	0.21
Other Community Investment	9	\$millions	0.75	0.84	0.69
Total Investments	10,11	\$millions	12.1	11.5	10.8
Employee Volunteering					
Employee and Contractor Volunteering (During Work Hours)	12	Hours	5,620	5,521	3,522
Employee Volunteering (Average Hours per Employee During Work Hours)	13	Hours	1.9	1.9	1.3

1. Our Indigenous Engagement metrics include Canadian assets only.

2. Indigenous Spending is comprised of procurement costs associated with an Indigenous business based on the proportion of ownership. An Indigenous business is majority owned by a participating First Nation, Métis, Inuit Community/Settlement or their members including a strategic partnership, corporation, joint venture, limited partnerships, other entity or combination thereof.

The increase from 2023 to 2024 is primarily attributable to an increase in operational spend due to more engagement with local field offices and Indigenous communities to understand their business needs and local Indigenous business services. This was partially off-set by smaller capital projects resulting in less capital spending in 2024.

3. The increase in Indigenous Communities Engaged for Services from 2023 to 2024 was due to the increase in volume of Indigenous suppliers utilized, an increase in spend and the Alliance/Aux Sable Acquisition leading to more Indigenous communities impacted across our asset areas in Alberta and Saskatchewan.
4. Indigenous Suppliers Utilized includes the number of Indigenous suppliers engaged to provide services and materials for Pembina. An Indigenous business is owned by a participating First Nation, Métis, Inuit Community/Settlement or their members including a strategic partnership, corporation, joint venture, limited partnership, other entity, or combination thereof. The increase from 2023 to 2024 is due to an increase in operational spending with contracts awarded to more Indigenous suppliers.

5. Includes direct cash investment to support community engagement activities. The increase in Cash Investments from 2023 to 2024 is primarily due to the Alliance/Aux Sable Acquisition and corresponding expansion of our Community Investment Program.

6. Excludes Joint Ventures (ACG, Alliance/Aux Sable prior to April 1, 2024, Cedar LNG, Chinook Pathways, PGI).
7. Organizational Stakeholder Giving includes donations by permanent and fixed term employees, retirees, Board members, and other individuals and businesses that support Pembina's community engagement efforts. The decrease in Organizational Stakeholder Giving from 2023 to 2024 is attributable to a shift in strategic approach to focus on employee volunteering and education rather than external stakeholder fundraising.

8. Employee Time During Work Hours includes all permanent and fixed term volunteer hours that support community engagement. A dollar value was determined using an average Pembina employee salary.

9. Other Community Investments include costs associated with running the community investment function or managing contributions to the community. This would include staff salaries, overhead costs, research, travel and meals, communications, subscriptions, membership fees, etc. This number may fluctuate year-over-year based on needs.

- 10. Total Investments is the total value of Pembina's investments in the community. This includes Cash Investments, in-kind giving (In-Kind Investments), volunteering during paid working hours (Employee Time During Work Hours), program management costs (Other Community Investment), and community contributions from outside sources that can be directly linked to our involvement (Organizational Stakeholder Giving).
- 11. Excludes Joint Ventures (ACG, Alliance/Aux Sable prior to April 1, 2024, Cedar LNG, Chinook Pathways, PGI) with exception of employee giving, employee volunteer hours, and program management.
- 12. Employee and Contractor Volunteering (During Work Hours) includes all permanent and fixed term employee volunteer hours that support community engagement.
- 13. Employee Volunteering (Average Hours per Employee During Work Hours) includes all permanent and fixed term employee volunteer hours that support community engagement.

Climate Opportunities & Risks Appendix

Climate Opportunities

As our corporate strategy demonstrates, Pembina sees great opportunity to continue to invest in the decarbonization of our core business. At the same time, we will capitalize on opportunities that generate a positive return for Pembina’s shareholders, leveraging our assets and expertise into new service offerings that proactively respond to the transition to a lower-carbon economy. The following table outlines the climate-related opportunities underpinned by our corporate strategy.

Climate-Related Opportunity	Influence on Our Corporate Strategy
Products and Services	We see multiple opportunities that support the transition to a lower carbon economy, which involve investments in businesses, operations or assets relating to renewable or other alternative forms of energy. Our New Ventures Business Unit actively explores new opportunities centered around a lower carbon economy. Included in our evaluation process are: customer interest, alignment with our value chain, technology developments, safety requirements, financial investment required, and potential government incentives and payback. We continue to evaluate our commodity mix to identify opportunities to grow in areas where demand is expected to increase.
Investment in R&D	Pembina has many of the core competencies to adjust to a changing energy mix and is exploring opportunities for new infrastructure service, including carbon transportation and sequestration and new forms of energy including hydrogen. We also view technology as a key contributor to the energy transition and we continue to explore technology associated with CCS, hydrogen, and lower carbon power to effectively manage our emissions and contribute positively to a lower-carbon economy. As part of our investment approach, we work with government and lending partners to access energy transition grants, incentives and financing.
Operations	<p>In October 2021, Pembina announced our target to reduce the company's GHG emissions intensity by 30% by 2030, relative to 2019 baseline emissions. This GHG reduction target informs business decisions and improves overall emissions intensity performance while increasing our long-term value and ensuring Canadian energy is developed and delivered responsibly. In 2024, we undertook a major initiative to develop a detailed 30 by 30 roadmap to understand potential GHG reduction opportunities and costs. The roadmap identifies operational improvements and energy efficiency projects, renewable energy projects, CCS and other lower carbon economy investments and we will prioritize those projects that generate a positive rate of return for the company’s stakeholders. Through a lens of continuous improvement, we are taking steps to reduce our environmental footprint while utilizing assets more efficiently. However, there are a number of challenges and complexities involved in reaching 30 by 30, along with our focus on executing economically viable projects, there is the possibility that our ability to achieve our target by 2030 could be delayed.</p> <p>Refer to the Energy Transition and Climate section for a discussion of our 2024 performance and progress against our 30 by 30 target.</p>

Climate Risks

The following table outlines potential climate-related risks to our business in the short- (in the next year or two), medium- (between two and five years) and long-term (between five to ten years).

Risk Category	Description of Risk	Pembina’s Risk Mitigation Activities ¹
Current, Emerging & Changing Regulation	Various federal, provincial and state governments have announced intentions to regulate GHG emissions. Some of these regulations are in effect while others remain in various stages of review or implementation. These regulations could impact our existing and/or planned projects or increase capital investment or operating expenses, impacting our financial results if we are unable to recover the resulting capital or operational costs through existing contractual terms or through higher tolls.	<div>› Undertaking annual scenario planning, informed by current and emerging regulation, that evaluates the potential implications of changes in the rate of decarbonization and escalating carbon tax compliance costs to test the resilience of our corporate strategy;</div> <div>› Progressing our GHG intensity emissions reduction target;</div> <div>› Reducing emissions from our operations through equipment modernization, system optimization and fugitive emissions management;</div> <div>› Leveraging our diversified asset portfolio;</div> <div>› Upholding our commercial model principles;</div> <div>› Meeting or exceeding regulatory compliance obligations within the jurisdictions we operate in; and</div> <div>› Actively engaging with government and public sector stakeholders on matters of legislative, regulatory or policy development.</div>
Technology	For the world to transition to a lower carbon economy, technology will be a key factor. As energy transition technologies become more cost effective in the long-term, changes in customer demand could in turn impact revenues and the company's assets.	<div>› Actively exploring and investing in established and emerging technologies to effectively manage our emissions and contribute positively to a lower-carbon economy;</div> <div>› Working with government and lending partners to access energy transition grants, incentives and financing;</div> <div>› Investing in power purchase agreements and developing lower carbon power solutions to integrate with our existing assets, where possible; and</div> <div>› Developing transformational opportunities like Cedar LNG and the proposed ACG and PLCC projects.</div>
Legal	For companies in the energy sector, legal risk could increase due to the number and complexity of regulatory requirements, liabilities associated with climate-related disclosure, as well as the potential for climate-related litigation.	<div>› Monitoring jurisdictional regulatory requirements to meet or exceed operational compliance with applicable laws and regulations;</div> <div>› Aligning disclosure practices to evolving accounting and reporting standards; and</div> <div>› Developing stakeholder and Indigenous engagement plans and monitoring government policy development.</div>
Market	Changing consumer preferences, new technologies, government regulation or other external factors may result in a transition from fossil-based sources of energy, including energy derived from oil and natural gas, to renewable and other alternative sources of energy. This may lead to lower global demand for crude oil and natural gas and related commodities and in turn may lead to lower prices for crude oil, natural gas and NGL and related commodities.	<div>› Using scenario planning to evaluate the potential implications of changes in the rate of decarbonization and energy demand to test the resilience of our corporate strategy;</div> <div>› Continuing to invest in businesses, operations or assets relating to lower carbon energy sources to ensure our long-term success and resilience;</div> <div>› Leveraging our core competencies to adjust to the changing energy mix through exploring opportunities for new infrastructure services including carbon transportation and sequestration and new forms of energy including hydrogen;</div> <div>› Incorporating GHG emissions reductions into our capital allocation and short-term incentive plan compensation;</div> <div>› Supporting coastal egress to meet global demand for our products; and</div> <div>› Actively engaging with stakeholders to identify potential risks and/or areas of concern and incorporate this input into project design and future operating plans.</div>

¹ Pembina’s Risk Mitigation Activities are not intended to represent an exhaustive list.

Reputation	<p>Pembina’s reputation could be impacted by changing public attitudes towards climate change. Impacts from a compromised reputation could include revenue loss, reduction in customer base, delays in obtaining regulatory approvals with respect to growth projects, reduced access to capital, higher cost of capital, or decreased value of Pembina’s securities and reduced insurance capacity and coverage. Concerns about the effects of the use of hydrocarbons on climate change and the impact of oil and gas operations on the environment have affected certain investors’ sentiments towards investing in the oil and gas industry. As a result of these concerns, some investors have announced that they are no longer willing to fund or invest in oil and gas properties or companies and/or are reducing the amount of such investments over time.</p>	<ul style="list-style-type: none">› Executing on our decarbonization strategy to reduce emissions and participate in the energy transition;› Issuing our annual Sustainability Report aligned to global reporting frameworks to strengthen transparency of the information we publish on climate-related issues including, governance, opportunities, risks, and performance; and› Actively engaging with investors, lenders and insurers to understand and address their concerns.
Acute Physical	<p>Changes and or extreme variability in weather patterns, as well as increases in the frequency of extreme weather events, such as floods, cyclones, hurricanes, drought and forest fires, increases the potential risk to Pembina’s assets. These risks include operational disruptions, transportation difficulties, supply chain disruptions, employee safety incidents, and damage to assets, which may result in lower revenue, higher costs or project delays.</p>	<ul style="list-style-type: none">› Maintaining policies, procedures and operating guidelines to ensure the safety of our people and assets;› Engineering our facilities with specific design considerations to manage weather related risks such as stormwater and forest fires;› Identifying, monitoring and mitigating slope, water and seismic threats to our pipeline systems as part of our Geohazard Management Program. All geohazard locations are ranked to define the level and frequency of inspection and monitoring;› Implementing Emergency Management Plans to execute timely deployment of equipment, resources and trained personnel to support any kind of incident;› Utilizing monitoring technologies for continual evaluation of geohazard risks such as in-line inspections, slope movement and river level monitoring; and› Leveraging third party information such as early weather event warning systems, total annual precipitation accumulations, and snowpack levels to provide proactive operational responses.
Chronic Physical	<p>Weather conditions can affect the demand for and price of oil, natural gas and NGLs. As a result, changes in weather patterns may affect Pembina’s energy transportation and midstream services. Pembina has capacity to handle typical increases in volume of throughput and storage at our facilities to meet changes in seasonal demand. Weather conditions may impact our ability to complete capital projects, maintenance and integrity projects or facility turnarounds. Unseasonable weather or work required outside of normal construction seasons can result in delays and increased costs.</p>	<ul style="list-style-type: none">› By mitigating the acute physical risks through our programs and operating practices we are also able to reduce the impact of chronic physical risks;› Scheduling construction activities, where feasible, in non-winter months to minimize potential delays due to non-frozen ground conditions and/or adjusting scheduling to accommodate weather conditions; and› Suspending development activity until the weather conditions are more favourable or in more extreme cases until the next preferred construction season (e.g. winter to winter).

For additional discussion on potential risks and opportunities that we have identified, please see our [Management’s Discussions and Analysis](#) and [Annual Information Form](#), each for the year ended December 31, 2024.

SASB Content Index

The table shown below demonstrates the relationship between Pembina’s reporting and SASB Oil & Gas – Midstream Sustainability Accounting Standard (December 2023).

Disclosure	SASB Standard Number	Sustainability Report Reference
Greenhouse Gas Emissions		
Total Scope 1 GHG Emissions	EM-MD-110a.1	Data Tables - Energy Transition and Climate
Methane GHG Emissions as % Scope 1 GHG	EM-MD-110a.1	Data Tables - Energy Transition and Climate
Scope 1 GHG Covered Under Emissions-Limiting Regulation	EM-MD-110a.1	Data Tables - Energy Transition and Climate
Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	EM-MD-110a.2	Energy Transition & Climate
Air Quality		
NOx Emissions	EM-MD-120a.1	Data Tables - Energy Transition and Climate
SOx Emissions	EM-MD-120a.1	Data Tables - Energy Transition and Climate
Volatile Organic Compounds (VOCs)	EM-MD-120a.1	Data Tables - Energy Transition and Climate
Particulate Matter (PM10)	EM-MD-120a.1	Data Tables - Energy Transition and Climate
Ecological Impacts		
Description of environmental management policies and practices for active operations	EM-MD-160a.1	Responsible Asset Management
Land Owned, Leased and/or Operated within Areas of Protected Conservation Status or Endangered Species Habitat	EM-MD-160a.2	Data Tables - Responsible Asset Management
Terrestrial Land Area Disturbed	EM-MD-160a.3	Data Tables - Responsible Asset Management
Impacted Area Restored	EM-MD-160a.3	Data Tables - Responsible Asset Management
Hydrocarbon Spills	EM-MD-160a.4	Data Tables - Responsible Asset Management
Aggregate Volume of Hydrocarbon Spills	EM-MD-160a.4	Data Tables - Responsible Asset Management
Volume of Hydrocarbon Spills in Arctic	EM-MD-160a.4	Data Tables - Responsible Asset Management
Volume of Hydrocarbon Spills in Sites with High Biodiversity Significance	EM-MD-160a.4	Data Tables - Responsible Asset Management
Volume of Hydrocarbon Spills Recovered	EM-MD-160a.4	Data Tables - Responsible Asset Management

Disclosure	SASB Standard Number	Sustainability Report Reference
Operational, Safety, Emergency Preparedness & Response		
Number of Reportable Pipeline Incidents	EM-MD-540a.1	Data Tables - Responsible Asset Management
Significant Reportable Pipeline Incidents	EM-MD-540a.1	Data Tables - Responsible Asset Management
Natural Gas Pipelines Inspected	EM-MD-540a.2	Data Tables - Responsible Asset Management
Hazardous Liquid Pipelines Inspected	EM-MD-540a.2	Data Tables - Responsible Asset Management
Accident Releases from Rail Transportation	EM-MD-540a.3	Data Tables - Responsible Asset Management
Non-Accident Releases from Rail Transportation	EM-MD-540a.3	Data Tables - Responsible Asset Management
Discussion of management systems used to integrate a culture of safety and emergency preparedness throughout the value chain and throughout project lifecycles	EM-MD-540a.4	Governance and Responsible Asset Management
Activity Metrics		
Total Kilometres of Liquids Pipelines	EM-MD-000.A	Data Tables - Activity Metrics
Total Kilometres of Natural Gas Pipelines	EM-MD-000.A	Data Tables - Activity Metrics

GRI Content Index

The table shown below demonstrates the relationship between Pembina’s reporting and reference to GRI metrics and disclosures.

Disclosure Title	GRI Disclosure Reference	Disclosure Reference (Page)
Disclosures for All Organizations		
Organizational Details, Activities, Strategy		
Organizational details	2-1	About Pembina, Our Operations, 2024 Annual Information Form (19) 2024 Annual Report (96)
Activities, value chain and other business relationships	2-6*	Our Operations The Alberta Carbon Grid Cedar LNG Pembina Low Carbon Complex
Employees	2-7	Employee Well-Being and Culture Employee Well-Being & Culture Data Table
Workers who are not employees	2-8*	Employee Well-Being & Culture Data Table
CEO Message	2-22	Message from our Board Chair & CEO 2025 Management Information Circular (1-2)
Policy Commitments	2-23*	2025 Management Information Circular (32-43)
Management of material topics	3-3	Management's Role
Governance and Ethics		
Governance structure and composition	2-9*	The Board's Role Governance - 2024 Performance 2025 Management Information Circular (19-30, 44-57)
Nomination and selection of the highest governance body	2-10*	2025 Management Information Circular (19-30, 45)
Chair of the highest governance body	2-11	2025 Management Information Circular (20)
Role of the highest governance body in overseeing the management of impacts	2-12*	About Pembina The Board's Role 2025 Management Information Circular (1-2, 38)

Disclosure Title	GRI Disclosure Reference	Disclosure Reference (Page)
Governance and Ethics <i>(continued)</i>		
Delegation of responsibility for managing impacts	2-13*	The Board's Role Management's Role 2025 Management Information Circular (38)
Role of the highest governance body in sustainability reporting	2-14*	2025 Management Information Circular (54)
Conflicts of interest	2-15*	2025 Management Information Circular (35)
Communication of critical concerns	2-16*	2024 Annual Information Form (57)
Collective knowledge of the highest governance body	2-17	2025 Management Information Circular (46-47)
Evaluation of the performance of the highest governance body	2-18	2025 Management Information Circular (50)
Remuneration policies	2-19	2025 Management Information Circular (58-60, 62-81)
Process to determine remuneration	2-20	2025 Management Information Circular (17-18, 58-60, 62-81)
Mechanisms for seeking advice and raising concerns	2-26*	2024 Annual Information Form (57)
Stakeholder Engagement		
Approach to stakeholder engagement	2-29	Employee Well-Being & Culture Health & Safety Asset Management Biodiversity & Land Use Indigenous & Community Engagement
Collective bargaining agreements	2-30*	2024 Annual Information Form (59)
Reporting Practices and Disclosures on Material Topics		
Entities included in sustainability reporting	2-2*	Reading This Report
Reporting period, frequency and contact point	2-3*	Reading This Report Back Cover 2024 Annual Report (96)
Restatement of information from previous reports	2-4	Energy Transition and Climate Data Table Employee Well-Being and Culture Data Table
External assurance	2-5*	Website - ESG Data and Reports
Compliance with laws and regulations	2-27*	2024 Annual Information Form (101)
Membership associations	2-28	2024 CDP Climate Submission (4.11.2)
Process to determine material topics	3-1	Sustainability Focus Areas
Material topics	3-2	Sustainability Focus Areas

Disclosure Title	GRI Disclosure Reference	Disclosure Reference (Page)
Topic Specific Disclosures		
Economic Performance		
Direct economic value generated and distributed	201-1	Governance Data Table Non-GAAP and Other Financial Measures
Financial implications and other risks and opportunities due to climate change	201-2*	2024 CDP Climate Submission (C2 Identification, assessment, and management of dependencies, impacts, risks, and opportunities and C3 Disclosure of risks and opportunities)
Defined benefit plan obligations and other retirement plans	201-3*	2024 Annual Report (134-137)
Indirect Economic Impacts		
Infrastructure investments and services supported	203-1*	GHG Emissions Indigenous Engagement Community and Stakeholder Engagement
Procurement Practices		
Proportion of spending on local suppliers	204-1*	Indigenous and Community Engagement Data Table
Energy		
Energy consumption within the organization	302-1*	Energy Transition and Climate Data Table
Energy consumption outside of the organization	302-2*	Energy Transition and Climate Data Table
Water and Effluents		
Water withdrawal	303-3*	Responsible Asset Management Data Table
Water discharge	303-4*	Responsible Asset Management Data Table
Water consumption	303-5*	Responsible Asset Management Data Table
Biodiversity		
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	304-1*	Responsible Asset Management Data Table
Significant impacts of activities, products and services on biodiversity	304-2*	Biodiversity and Land Use Responsible Asset Management Data Table
Habitats protected or restored	304-3*	Responsible Asset Management Data Table
Emissions		
Direct (scope 1) GHG emissions	305-1	Energy Transition and Climate Data Table
Energy indirect (scope 2) GHG emissions	305-2	Energy Transition and Climate Data Table
Other indirect (scope 3) GHG emissions	305-3*	Energy Transition and Climate Data Table

Disclosure Title	GRI Disclosure Reference	Disclosure Reference (Page)
GHG emissions intensity	305-4*	Energy Transition and Climate Data Table
Reduction of GHG emissions	305-5*	Energy Transition and Climate Energy Transition and Climate Data Table
NOx/SOx and other significant air emissions	305-7	Energy Transition and Climate Data Table
Waste		
Management of significant waste related impacts	306-2*	Waste Management
Waste generated	306-3*	Responsible Asset Management Data Table
Waste diverted from disposal	306-4*	Responsible Asset Management Data Table
Waste directed to disposal	306-5*	Responsible Asset Management Data Table
Employment		
New employee hires and turnover	401-1*	Employee Well-Being & Culture Data Table
Occupational Health and Safety ("OHS")		
OHS management system	403-1*	Health and Safety
Hazard identification, risk assessment, and incident investigation	403-2*	Health and Safety
Worker participation, consultation, and communication on OHS	403-4*	Health and Safety
Prevention and mitigation of OHS impacts directly linked by business relationships	403-7	Health and Safety
Work-related injuries	403-9*	Health and Safety Health and Safety Data Tables
Diversity and Equal Opportunity		
Diversity of governance bodies and employees	405-1	Employee Well-Being & Culture Data Table 2025 Management Information Circular (19-30)
Local Communities		
Operations with local community engagement, impact assessments, and development programs	413-1*	Biodiversity and Land Use Indigenous Engagement Community and Stakeholder Relations
Public Policy		
Political contributions	415-1*	Governance Data Table
Customer Privacy		
Substantiated complaints concerning breaches of customer privacy and losses of customer data	418-1*	Cybersecurity & Data Privacy

*Partially meets the disclosures suggested by the GRI Standards

TCFD Content Index

The table shown below demonstrates Pembina’s alignment to the TCFD recommendations.

Category	Disclosure	Disclosure Reference
Governance		
Governance (a)	Board oversight of climate-related risks and opportunities	The Board’s Role
Governance (b)	Management’s role in assessing and managing climate-related risks and opportunities	Management’s Role
Strategy		
Strategy (a)	Identification of climate-related risks and opportunities over the short, medium, and long-term	Energy Transition and Climate - Climate Opportunities & Climate Risks and Climate Opportunities & Risks Appendix
Strategy (b)	Impact of climate-related risks and opportunities on the business, strategy, and financial planning	About Pembina, Energy Transition and Climate and 2024 CDP Climate Change Submissions (C5. Business Strategy)
Strategy (c)	Scenario analysis and strategy resilience	Energy Transition and Climate - Scenario Analysis and Strategy Resilience
Risk Management		
Risk Management (a)	Processes for identifying and assessing climate-related risks	Governance - Enterprise Risk Management and Energy Transition and Climate
Risk Management (b)	Processes for managing climate-related risks	Governance - Enterprise Risk Management and Energy Transition and Climate
Risk Management (c)	Integration of processes for identifying, assessing, and managing climate-related risks into the organization’s overall risk management	Energy Transition and Climate and 2024 CDP Climate Change Submissions (C2. Identification, Assessment, and Management of Risks and Opportunities & C3. Disclosure of Risks and Opportunities)
Metrics and Targets		
Metrics and Targets (a)	Metrics used to assess climate-related risks and opportunities	Energy Transition and Climate Data Table
Metrics and Targets (b)	Disclosure of GHG emissions	Energy Transition and Climate Data Table
Metrics and Targets (c)	Targets used to manage climate-related risks and opportunities	Energy Transition and Climate

Definitions

For capitalized terms used herein that are not otherwise defined, refer to Pembina’s Annual Information Form for the year ended December 31, 2024 filed at www.sedarplus.ca (filed with the U.S. Securities and Exchange Commission at www.sec.gov under Form 40-F) and on Pembina’s website at www.pembina.com.

Hyperlinking

Throughout this report we have provided external links, which provide additional context and further information for interested readers. These hyperlinks may change over time, and Pembina does not undertake any obligation to update such hyperlinks, except as required by applicable laws.

In addition, this report may contain links to other websites (“third-party websites”). Pembina does not assume responsibility or any liability for the accuracy or appropriateness of the information, data, opinions, advice or statements contained on third-party websites. In providing links to the other sites, Pembina is in no way acting as a publisher or disseminator of the material contained on the third-party websites and does not seek to monitor or control such third-party websites. A link to a third-party website should not be construed to mean that Pembina is affiliated or associated with the entity to which the website is linked. Pembina does not recommend or endorse any of the content on any third-party website, including, without limitation, any hyperlinks contained within third-party websites.

Forward-looking Statements

This report contains certain forward-looking statements and forward-looking information (collectively, “forward-looking statements”), including forward-looking statements within the meaning of the “safe harbor” provisions of applicable securities legislation, that are based on Pembina’s current expectations, estimates, projections and assumptions in light of its experience and its perception of historical trends. In some cases, forward-looking statements can be identified by terminology such as “continue”, “anticipate”, “schedule”, “will”, “expects”, “estimate”, “potential”, “planned”, “future”, “outlook”, “strategy”, “project”, “trend”,

“commit”, “maintain”, “focus”, “ongoing”, “believe” and similar expressions suggesting future events or future performance.

In particular, this document contains forward-looking statements pertaining to, without limitation, the following: Pembina’s corporate strategy, priorities and expected performance, including plans and strategies to improve Pembina’s ESG performance, as well as the timing and outcomes thereof; ESG goals and targets, including those related to GHG emissions reduction and EDI; the expected impact of Pembina’s ESG initiatives on its business, operations and ESG-related performance, including statements regarding the development and implementation of ESG technology and our OEMS framework, as well as the outcomes and benefits thereof; Pembina’s Climate Strategy, energy transition and low carbon energy, including Pembina’s initiatives and approach thereto; Pembina’s 30 by 30 target, including strategy, initiatives and actions taken by Pembina in relation thereto; anticipated environmental, community and economic benefits of Pembina’s growth projects, including the Cedar LNG project, the ACG, the Greenlight Electricity Centre and the PLCC; the Cedar LNG project, including the size, ownership, and emissions thereof and the anticipated timing of construction and operations related thereto; the ACG, including its anticipated capacity, environmental impact, long-term operating goals and the expected benefits thereof for Pembina and TC Energy Stakeholders; the PLCC, including statements regarding Pembina’s vision for the project, the anticipated benefits and features thereof and actions taken by Pembina in relation thereto; the Greenlight Electricity Centre, including timing, the anticipated benefits and features thereof and actions taken by Pembina in relation thereto; the expansion of Pembina’s value chain to incorporate various carbon capture and storage opportunities; the expected start-up date of the Wild Rose 2 Wind Farm, including expected benefits related thereto; statements regarding future ESG and sustainability related disclosure, including plans to continue further alignment with the TCFD recommendations and actions taken in relation to the TNFD recommendations; expectations regarding our decarbonization strategy and related infrastructure, including the anticipated benefits and features thereof and actions taken by Pembina in relation thereto; GHG emissions reporting, including the enhancement thereof; Pembina’s continued commitment to meet its Women in the Workforce and Workforce Diversity targets, as well as actions taken in relation to such targets and the outcomes thereof; Pembina’s EDI initiatives and approach for 2025 and beyond, including expectations regarding Pembina’s People

Strategy, integrating and embedding EDI initiatives into operations, formally implementing the Safety Excellence for Supervisors and Managers program to all leaders, building and evolving skill building efforts, integrating AI and automation in operations, and strategic workplace planning review and evaluation of our internal recruitment processes, including actions related thereto; ; Pembina’s continued focus on safety, including enhancing contractor safety performance and other health and safety priorities for 2025 and beyond; strategies to protect the integrity of energy infrastructure; plans for effective asset management, which include implementing a new air patrol management tool, completing all necessary steps for Alliance/Aux Sable integration, and the improving third party crossing application reviews; plans to enhance Pembina’s emergency response capacity, including those related to extreme weather events and cybersecurity; waste management processes and programs, including the rollout to Alliance/Aux Sable and other assets in 2025, and implementing digital waste tracking; the anticipated decrease of non-hazardous waste volumes; plans regarding a water re-use initiative, reduction of freshwater use, and efforts to improve water data management practices; reclamation activities, including expectations relating thereto; cybersecurity risk management programs, including targets and plans related thereto; plans to build partnerships to advance ESG priorities; the expectation that Pembina’s policies, standards and procedures will adapt to cybersecurity and data privacy threat and laws; the incorporation of ESG processes and metrics into Pembina’s supply chain processes; Pembina’s continued commitment to its SPM program, including the anticipated benefits thereof; strategies for Indigenous engagement, inclusion and reconciliation, including plans and initiatives to progress Pembina’s five-year Indigenous Engagement Strategy and Path and our intention to continue to explore collaboration opportunities and new projects with Indigenous and Tribal communities; plans to further develop continued community investment and engagement efforts, including the integration of Alliance/Aux Sable into Pembina’s Community Investment Strategy; climate change risks and the related risk mitigation strategies; and the opportunities Pembina identified in the transition to a lower carbon economy and the influence they have on its strategy.

The forward-looking statements are based on certain assumptions that Pembina has made in respect thereof as at the date of this report regarding, among other things: Pembina’s ability to achieve its ESG targets, including those related to GHG emissions reduction and EDI;

energy transition, including the drivers and pace thereof, as well as the benefits and risks relating thereto; the availability of individuals with the skills required for Pembina's business and in the geographic locations in which Pembina operates necessary to achieve Pembina's GHG and EDI targets; that current technologies are sufficient to achieve reductions in GHG emissions targets; the availability of data, samples and information necessary to evaluate targets, goals, programs and strategies; the willingness of Indigenous stakeholders to engage in consultation and reconciliation efforts; successful collaboration with others to advance ESG goals; broad compliance with Pembina's plans, strategies, programs and goals across its reporting and monitoring systems among its employees, stakeholders and service providers; oil and gas industry exploration and development activity levels and the geographic region of such activity; that Pembina's future results of operations will be consistent with past performance and management expectations in relation thereto; the resiliency of Pembina's assets and growth opportunities under climate change scenarios; the success of Pembina's operations and growth projects; that projects will be completed and sanctioned as expected; that any required commercial agreements for projects can be reached; that counterparties to agreements will continue to perform their obligations in a timely manner; prevailing regulatory, tax and environmental laws and regulations; that all required regulatory and environmental approvals can be obtained on the necessary terms and in a timely manner; that there are no unforeseen material construction or other costs related to current and future projects or operations; that there are no unforeseen events preventing the performance of contracts or the completion of the relevant projects; the continued availability of capital at attractive prices to fund future capital requirements relating to existing and future assets and projects; the ability of Pembina to maintain current credit ratings; prevailing commodity prices, interest rates, carbon prices, tax rates and exchange rates; and certain other

assumptions in respect of Pembina's forward-looking statements detailed in Pembina's Management Discussion and Analysis and Annual Information Form for the year ended December 31, 2024 and from time to time in Pembina's public disclosure documents available at www.sedarplus.ca, www.sec.gov, and through Pembina's website at www.pembina.com.

Although Pembina believes the expectations and material factors and assumptions reflected in these forward-looking statements are reasonable as of the date hereof, there can be no assurance that these expectations, factors and assumptions will prove to be correct. These forward-looking statements are not guarantees of future performance and are subject to a number of known and unknown risks and uncertainties including, but not limited to: the failure to realize the anticipated benefits and synergies of projects and transactions; material cost-overruns in respect of projects or a material delay to the expected operational date for projects; expectations and assumptions concerning, among other things: customer demand for Pembina's services; commodity prices, interest rates, inflation and foreign exchange rates; the regulatory environment and decisions, including the outcome of regulatory hearings, and Indigenous and landowner consultation requirements; the impact of competitive entities and pricing; reliance on third parties to successfully operate and maintain certain assets; labour and material shortages; reliance on key relationship and agreements and the outcome of stakeholder engagement; the strength and operations of the oil and natural gas industry and related commodity prices; non-performance or default by counterparties to agreements which Pembina or one or more of its subsidiaries has entered into in respect of its business; actions by joint venture partners or other partners which hold interests in certain of Pembina's assets; actions by governmental and regulatory authorities, including changes in tax laws

and treatment, the imposition of new tariffs, changes in royalty rates, regulatory decisions, changes in regulatory processes or increased environmental regulation; the political environment, in North America and elsewhere, including changes in trade relations between Canada and U.S., and public opinion thereon; fluctuations in operating results; adverse general economic and market conditions, including potential recessions in Canada, North America and worldwide, resulting in changes, or prolonged weaknesses, as applicable, in interest rates, foreign currency exchange rates, inflation rates, commodity prices, supply/demand trends and overall industry activity levels; constraints on, or the unavailability of adequate infrastructure and technology; ability to access sources of debt and equity capital; changes in credit ratings; litigation; technology and security risks including cyber-security risks; natural catastrophes and changes in weather patterns; and certain other risks and uncertainties detailed in Pembina's Management Discussion and Analysis and Annual Information Form for the year ended December 31, 2024 and from time to time in Pembina's public disclosure documents available at www.sedarplus.ca, www.sec.gov and through Pembina's website at www.pembina.com.

This list of risk factors should not be construed as exhaustive. Readers are cautioned that events or circumstances could cause actual results to differ materially from those predicted, forecasted or projected. The forward-looking statements contained in this document speak only as of the date of this document. Pembina does not undertake any obligation to publicly update or revise any forward-looking statements or information contained herein, except as required by applicable laws. The forward-looking statements contained in this document are expressly qualified by this cautionary statement.

Non-GAAP & Other Financial Measures

Throughout this document, Pembina has disclosed certain financial measures that are not specified, defined or determined in accordance with GAAP and which are not disclosed in Pembina’s financial statements. Non-GAAP financial measures either exclude an amount that is included in, or include an amount that is excluded from, the composition of the most directly comparable financial measure specified, defined and determined in accordance with GAAP. These non-GAAP financial measures, together with financial measures specified, defined and determined in accordance with GAAP, are used by management to evaluate the performance and cash flows of Pembina and its businesses, compare Pembina’s sustainability related performance to its peers and to provide additional useful information respecting Pembina’s financial performance and cash flows to investors and analysts.

Direct Economic Value Generated

Direct Economic Value Generated is a non-GAAP financial measure which is defined as total revenue less cost of goods sold, including product purchases. Direct Economic Value Generated is equivalent to Net Revenue, a non-GAAP financial measure, as disclosed in our annual MD&A. Management believes that disclosing to standardized GRI metrics is a useful tool for stakeholders, and Direct Economic Value Generated is included on the GRI recommended list of metrics to disclose. Management utilizes Direct Economic Value Generated to aggregate revenue generated by each of Pembina’s divisions and to set comparable objectives. The most directly comparable financial measure to Direct Economic Value Generated that is specified, defined and determined in accordance with GAAP and disclosed in Pembina’s financial statements is revenue.

(\$ millions)	2024	2023	2022
Revenue ¹	7,384	6,331	7,519
Cost of goods sold ¹ , including product purchases	(2,608)	(2,358)	(3,244)
Direct Economic Value Generated	4,776	3,973	4,275

¹ In 2024, Pembina voluntarily changed its accounting policies to record all unrealized and realized gains and losses from the settlement of physical and financial derivative instruments, as well as foreign exchange-related financial derivative instruments, on a net basis. These changes were applied retrospectively.

In this document, Pembina has disclosed the following non-GAAP financial measures: direct economic value generated, direct economic value distributed, operating and general and administrative expenses, total tax paid and payments to providers of capital.

Non-GAAP financial measures disclosed in this document do not have any standardized meaning under International Financial Reporting Standards (“IFRS”) and may not be comparable to similar financial measures disclosed by other issuers. The financial measures should not, therefore, be considered in isolation or as a substitute for, or superior to, measures of Pembina’s financial performance, or cash flows specified, defined or determined in accordance with IFRS, including revenue, general and administrative expenses, taxes paid and dividends paid.

Except as otherwise described herein, these non-GAAP financial measures are calculated on a consistent basis from period to period. Specific reconciling items may only be relevant in certain periods.

Below is a description of each non-GAAP financial measure disclosed in this document, together with, disclosure of: the most directly comparable financial measure that is specified, defined and determined in accordance with GAAP to which each non-GAAP financial measure relates; a quantitative reconciliation of each non-GAAP financial measure to such directly comparable GAAP financial measure; the composition of each non-GAAP financial measure; and an explanation of how each non-GAAP financial measure provides useful information to investors and the additional purposes, if any, for which management uses each non-GAAP financial measure.

Operating and General & Administrative Expenses

Operating and general & administrative expenses is a non-GAAP financial measure that is defined as general and administrative expenses, plus operating expenses, less corporate depreciation, employee costs, property taxes paid and community investments. Management believes that disclosing to standardized GRI metrics is a useful tool for stakeholders, and operating and general & administrative expenses is included on the GRI recommended list of metrics to disclose. The most directly comparable financial measure that is specified, defined and determined in accordance with GAAP and disclosed in Pembina’s financial statements is general and administrative expenses.

(\$ millions)	2024	2023	2022
General and administrative expenses	444	422	399
Operating expenses	976	825	869
Corporate depreciation	(50)	(39)	(39)
Employee Wages and Benefits	(576)	(486)	(479)
Property taxes paid	(123)	(76)	(72)
Community Investments	(9)	(7)	(7)
Operating and General & Administrative Expenses	662	639	671

Total Tax Paid

Total tax paid is a non-GAAP financial measure that is defined as the sum of income taxes and property taxes paid. Management believes that disclosing to standardized GRI metrics is a useful tool for stakeholders, and total tax paid is included on the GRI recommended list of metrics to disclose. The most directly comparable financial measure that is specified, defined and determined in accordance with GAAP and disclosed in Pembina’s financial statements is taxes paid.

(\$ millions)	2024	2023	2022
Taxes Paid	404	236	334
Property taxes paid	123	76	72
Total Tax Paid	527	312	406

Payments to Providers of Capital

Payments to providers of capital is a non-GAAP financial measure that is defined as dividends paid plus the repurchase of common shares and interest paid. Management believes that disclosing to standardized GRI metrics is a useful tool for stakeholders, and payments to providers of capital is included on the GRI recommended list of metrics to disclose. The most directly comparable financial measure that is specified, defined and determined in accordance with GAAP and disclosed in Pembina’s financial statements is dividends paid.

(\$ millions)	2024	2023	2022
Dividends paid	1,701	1,579	1,651
Repurchase of common shares	0	50	333
Net Interest Paid	516	437	443
Payments to Providers of Capital	2,217	2,066	2,427



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Please contact sustainability@pembina.com if you have any feedback or questions related to this report, or ESG and sustainability at Pembina.

pembina.com

